CHARGES LYONS 'COVERING UP' IN PAROLE INQUIRY

Hoffman Hits Chairman for Defying Committee

BY JAMES DOHERTY
[Chicago Tribune Press Service]

Washington, Oct. 6—Investigation of the federal paroles given to four Chicago Capone gangsters, and of pardons and commutations granted by President Truman and the late President Roosevelt was halted today when Daniel M. Lyons, chairman of the United States parole board, defied the jurisdiction of a congressional committee. Lyon's conduct was described by Rep. Hoffman, [R., Mich.] as "hiding and covering up for a bunch of gangsters."

Lyons, a former Boston lawyer, had been "pardon attorney" in the office of the attorney general prior to being appointed chairman of the parole board. He clashed with the congressional committee headed by Hoffman when the investigation into the Capone gang paroles was started in Chicago 10 days ago, and today he followed other government officials in arousing the wrath of the investigating congressmen.

Parole Chairman Lyons was said by Rep. Busbey [R., Ill.] to be engaged in a second smear attempt to smear Harry A. Ash, a Chicago Republican whom the parole board would like to use as a scapegoat.

Reports Ash Resignation

"If Mr. Lyons' conduct represents an attempt by the national administration to pick out a minor Republican officeholder in Chicago as a blame him for letting four dangerous convicts out of prison, it will not be successful," Busbey said. "I have been informed that Ash has resigned from his job as superintendent of crime prevention for the State of Illinois.

"Ash did not let the convicts out. He told me he had agreed to act as a parole adviser for one of them, if and when the federal government let him out. The parole board, under the leadership of Mr. Lyons, was quick to seize upon a letter from Ash as an alibi for the parole board.

"Ash said he resigned from his job so as not to embarrass any one in the state service, and to permit congress to explore the whole parole and pardon mess without hindrance."

Singled Out Ash' Letters

Controversy between Lyons and the congressional committee was precipitated by Lyons' determination to make public one or more letters he said Ash wrote to the parole board. Busbey said it was evident the board did not free the four convicts, whose crime was the extortion of more than $1,000,000, and who were given sentences of 10 years, because of any letter from Ash.

"We want all the correspondence the parole board has in its files on the four gangsters, and Lyons, for reasons of his own, wants to make public only Ash's letters."

Lyons, known to be one of Atty. Gen. Clark's right hand men, was before the house committee on expenditures of executive departments of which Hoffman is chairman and of which Busbey, Rep. Hardy [D., Va.], and Rep. Snyder [R., W. Va.] are other members. He said he had with him the records that had been subpenaed but he would not leave them with the committee.

Parries Hoffman's Question

"Are you acting on the orders of Atty. Gen. Clark?" Hoffman wanted to know.

"Are you threatening to take these files from me by force?" Lyons parried.

Hoffman said he had asked that all pardons handled by Lyons in the last 10 years be investigated, as well as all parole matters in which Atty. Paul Dillon of St. Louis, self-styled pal of President Truman, acted for the convicts. The government, he said, preferred to investigate Ash.

Hoffman was talking of issuing subpenas for Clark and James V. Bennett, United States director of prisons, when the session came to a noisy end. Later, it was reported, Lyons made certain conciliatory gestures and agreed to reappear before the committee tomorrow morning.

Ash, in a message to Busbey, said he had not written anything of which he was ashamed. He said he had been willing to help "in the rehabilitation of [Charles] Gloe," whom he knew as a boy.

"Lyons chooses to investigate me rather than the federal officials involved," Ash wired. "I am taking myself out of the way so he can't use me to shield his own people."

Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hoar
Mr. Pennington
Mr. Quinn Tamm
Miss Gandy

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RECORDED 157-2000-15

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CHICAGO DAILY TRIBUNE

CHICAGO DAILY TRIB

Oct 7 1947

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Clark Pressed On 4 Paroles

Representative Busbey (Rep., Ill.) sent a telegram to Attorney General Clark yesterday demanding more specific answers to his questions about the parole of four Capone gangsters.

The telegram read:

"More than a week has elapsed since I wired you on Sept. 8 asking you eight specific questions regarding parole of Ricca, Campagna, D'Andrea and Gioe.

Precedence Expected.

"Have always understood congressional inquiries received top priority in your department. I do not consider our telephone conversation of last Saturday, pertaining exclusively to questions seven and eight an answer to my telegram."

Questions seven and eight of the previous telegram inquired as to whether outside influence was used on parole board members and whether the attorney general was advised in advance that the men were to be released.

Replies Not Revealed.

Busbey would not say what Clark's telephone reaction to these questions was.

The released convicts are Paul Ricca, Louis Campagna, Philip D'Andrea and Charles Gioe. They were paroled Aug. 14 after serving one-third of 10-year prison sentences imposed in a $1,000,000 shakedown of the film industry.

CHICAGO SUN

Sept 17 1947

ENCLOSURE

RECORDED 58-2000-1142

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32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/91 BY SP2 cw

ARMED PROBERS ASK TRUMAN FOR CLEMENCY DATA

Seek Facts on Vote Fraud Pardons

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, Oct. 5—Rep. Hoffman (R., Mich.), chairman of the house committee on expenditures in executive departments, today made public a letter he has sent to President Truman, stating that in addition to the truth on the paroling of four Chicago Capone gangsters he and his committee want data on Presidential pardons and commutations, including clemency granted by President Truman and the late President Roosevelt to more than a score of persons convicted of vote frauds in Kansas City, Mo.

Hoffman also made public an exchange of letters between himself and Daniel M. Lyons, temporary chairman of the United States parole board and for 15 years previously pardon attorney in the office of the attorney general. Lyons has been called by congressmen the "parole coverup man for Atty. Gen. Clark."

The activities of Paul Dillon, attorney and self-styled pal of President Truman, who acted for the Chicago public enemies — getting their sentences cut from 10 to 3½ years — furnished the subject of both parole and pardon investigations, Hoffman said.

Boehm Pardon Mentioned

In his letter to Mr. Truman, Hoffman said that Douglas McGregor of the attorney general's office advised William Young, of the committee which is investigating the facts and circumstances in connection with the granting of paroles to Paul Ricca, Philip D'Andrea, Charles Gioe, and Louis Campagna, and which is also investigating the activities of the parole and pardon board, "that he could not and would not give us information contained in the records which has to do with the granting of pardons."

Inasmuch as some members of our subcommittee and of the committee are interested in ascertaining the basis for the granting of certain pardons and particularly a pardon granted to Frank Boehm in which Paul Dillon, I am advised, appeared as his attorney, this information is sought," Hoffman wrote.

Mr. Young also requested that he be permitted to examine the files in connection with the pardoning of certain individuals who were prosecuted and convicted in connection with certain election frauds in Kansas City.

"Will you kindly advise whether this information is to be made available to our subcommittee or the committee?"

Sentence Cut by F. D. R.

The Frank Boehm referred to in Hoffman's letter is a former St. Louis utilities magnate who was convicted of perjury in connection with an investigation of the corruption fund of the Union Electric company of St. Louis and sentenced to five years in prison in 1940. Dillon obtained a commutation of the sentence to two years thru the late President Roosevelt, and later obtained a parole for Boehm while T. Webber Wilson was serving as federal parole board chairman.

Hoffman said he believed the President should be given an opportunity to dissociate his name from the parole and pardon scandals arising out of the activities of Dillon, who, according to his own testimony, cultivated the friendship of Wilson.

Committee Will Ask Questions

Hoffman said his letter to Lyons was in reply to a communication from Lyons, who has been accused of trying to divert blame for the parole scandal from high government officials by mention of Harry A. Ash, a minor Republican office holder of Chicago. Last week Lyons wrote to Hoffman asking him to subpena Ash so he (Lyons) could question him before the committee. Hoffman told him to submit any questions he wanted Ash to answer and the committee would ask them.

A subpena was issued for Lyons to be present at the committee room at 3 p. m. tomorrow. By that time, Hoffman said, he hopes to have some word from the President on whether Lyons and Atty. Gen. Clark's defiance of the authority of the congressional committee is approved or disapproved by Truman.

ENCLOSURE

RECORDED 1 58-2000-114

32 DEC 3 1947

CHICAGO DAILY TRIBUNE

Oct 6 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 1-22-98 BY SP5 CAW

Sponsors Tell Why They Helped Mobsters

"Why did you intercede for the parole of a former Capone mobster?"

The Daily News asked that question of a number of the persons named yesterday as having sought the release of four men who were found guilty of a $1,000,000 extortion scheme.

Daniel M. Lyons, chairman of the Parole Board, said 36 persons in all had asked the board to grant clemency.

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HERE ARE names of the sponsors, the name of the mobster for whom they interceded, and the reasons some of them gave for their action:

FOR LOUIS CAMPAGNA:

The Rev. M. A. Canning, St. Ferdinand's Church: "I've known the family for years. I sent Joseph, their son, to Notre Dame, where he made a wonderful record. All the kids are fine and their father was in the penitentiary. Their mother asked me to do it, to plead for clemency.

"I told them the truth. I hope time will show my judgment is right."

L. E. Lucas, editor, Journal Era, Berrien Springs, Mich.: "I have known Campagna for quite a few years. I didn't know too much about what he was in for. He has a farm up here, always seemed to be a decent sort of chap so I volunteered to write a letter."

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OTHERS WHO interceded for Campagna were:

Walter Lawrence, 743 Thatcher av., River Forest, parole adviser; Dominick J. Sibilano, president of Sibilano Furniture Co., 5541 Belmont av.; Martin Haas, president, Burton Auto Spring Corp., 2433 W. 48th st.; S. Nanini, president, Rock Road Construction Co., 5915 N. Rogers av.; Michael J. Romano, Morand Brothers Beverage Co., 818 S. May st.; John Svipak, 2931 Maple av.; Berwyn; Guy F. Heim, Berrien Springs, Mich.

• • •

FOR PHILIP D'ANDREA:

Msgr. Michael Abraham, Sacred Heart Church, Michigan City, Ind.: "I hardly know the man. That's all I said on the paper that came—I knew him casually. I think I met him at a wedding out here or something like that. I just said a as a favor."

COMMITTEE Chairman J. Parnell Thomas previously disclosed in Washington that 43 persons would be subpoenaed.

Among them he named Charles Chaplin, Gary Cooper, Robert Montgomery, Robert Taylor, Walter Disney, Cedric Gibbons, Samuel Goldwyn, Louis B. Mayer, Joseph E. Davies, Adolphe Menjou, Ronald Reagan, Rupert Hughes, Ethel Barrymore and Lela Rogers.

ing a ringleader of organized crime: "I'd rather say nothing about it."

The Rev. Angelo Della Vecchia, St. Mary's of Mount Carmel Church: "I know nothing about it. I'm a friend of the D'Andrea family. I wish you would not put my name to it."

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OTHERS WHO interceded for D'Andrea were:

John R. Robinson, 228 N. LaSalle st.; Joseph B. Ferrera, general manager Krispy Kleen Vegetables, Inc., 139 South Water Market; F. E. Svoboda, motor truck division, International Harvester Co.; Santo Garofolo, Garofolo Co., 103 South Water Market.

• • •

S. M. HOMAN, Lincolnshire Estates, 7205 Exchange av.; The Rev. Angelo Della Vecchia, St. Mary's of Mount Carmel Church; James H. Hetarty, Mack International Motor Truck Co., 33d st. and Wentworth av.

John Tiberi, Allied Construction & Supply Co., 3727 S. Maplewood av.; Charles S. Baer, M.D., 11 E. 34th st., Steger; Anthony D'Andrea, brother of inmate, no address; Samuel H. Shapiro, attorney, 948 First National Bank bldg.

FOR CHARLES GIOE:

Lloyd J. Butler, 133 N. Clark st., pawnbroker: "I have known Gioe for several years and I have always known him to be a gentleman. My contacts with Gioe were as a customer."

Harry A. Ash, state superintendent of crime prevention: "I wrote that I believed Gioe to be worthy of rehabilitation."

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OTHERS WHO interceded for Gioe were:

P. L. Mann, Consolidated Wire & Associated Companies, 1635 S. Clinton st.; Albert B. Turner, Turner Bros. Clothing Co., Roosevelt rd. and Halsted sts.; David Fisock, 100 W. Monroe st.

FOR PAUL RICCA:

Dr. Morris W. Lev, 104 S. Michigan av.: "At the request of his attorney, I wrote a letter saying he had been a patient of mine since 1941. I told of his physical condition and said I had found him to be a gentleman and upright and that his family seemed the same way. He was the meekest fellow who ever walked into my office."

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OTHERS WHO interceded for Ricca were: Rev. C. Marmano, 6219 Sheridan rd.; F. J. Curry, 516 Western av., Joliet; Curtis N. Vilas, Sarasota, Fla.; James Luperi, Ball Oil Co., 5919 Rogers av.; Timothy Dinen, 5419 Van Buren.

The following interceded for all of them:

Paul Dillon, attorney, St. Louis; Glenn P. Bohm, Washington.

CHICAGO DAILY NEWS

(Sept 23, 1947)

ENCLOSURE

RECORDED 58-2000-1421

32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9/23/93 BY SP5CAC/CJ

Tells of Letter

[U.S. parole chief upholds hoodlums' release. Story on Page 2.]

Harry A. Ash, head of Gov. Green's crime prevention department, yesterday confirmed the fact that he was one of those who interceded with the federal parole board in behalf of Charles "Cherry Nose" Gioe, released from Leavenworth penitentiary on Aug. 13.

Gioe was one of four Chicago hoodlums who were sentenced for participation in the extortion of a million dollars from the moving picture industry, and who were released from several institutions simultaneously.

New Chairman Reports.

Daniel M. Lyons, new chairman of the parole board, who yesterday released names of 36 persons who interceded for the gangsters, declared that his investigation shows that there was no irregularity in the paroling of the four, and that no untoward pressure had been brought to bear on members of the parole board.

Although Ash declared he had written to the parole board in behalf of Gioe, whom he had known for 35 years, he denied that he had been named, or was acting as, Gioe's parole adviser.

3 Others Convicted.

The three other persons convicted with Gioe, and released at the same time on parole are Louis "Little New York" Campagna, Paul de Lucia, also known as Paul "The Waiter" Ricca, and Phil D'Andrea, long one of the city's hoodlums.

Emphatically denying that he had any connection with underworld elements, Ash did declare he had written the U.S. parole board his belief that Gioe was "worthy of parole and rehabilitation."

He said he had known Gioe as a boy, but had not seen him from 1915 to about 1940, when Gioe moved to the Seneca Hotel and became Ash's neighbor again.

Received Prison Letter.

Ash said that in May of this year he received a communication from Leavenworth penitentiary

See PAROLES, Page 2, Col. 1.

Gangsters' Parole Sponsors Named

PAROLE, from Page 1.

that Gioe had asked that he be named parole adviser. Ash said he filled out forms and returned them, but pointed out in his reply that, under the regulations noted, he could not serve, since he was a lawyer.

He heard nothing more, he said, until a temporary parole officer phoned him on Aug. 12, saying that Gioe was to be released the following day.

Surprised by Action.

Surprised, Ash said he asked what concern that was of his. He then was told that he was listed as parole adviser.

"But," said Ash, "I have never received any communication from the federal probation offices in Chicago or in Washington. I have never spoken to Charles W. Fischer, the Chicago federal probation officer, and I do not know him. I am not acting, and I have never been asked to act, in any official communication, as parole adviser for Charles Gioe."

Another Chicagoan Listed.

Another Chicagoan, listed as supporting the parole of another of the four hoodlums, is Dr. Morris Lev, 104 S. Michigan av. He is named as supporting De Lucia. Questioned yesterday, he said:

"De Lucia was a patient of mine from Marc. 11, 1941, to Aug. 3, 1943, as a diabetic. Our relationship was that of doctor and patient. That is all I could tell the parole authorities about him."

Defending his interceding for Campagna, Dominick J. Sibillano, president of the furniture company bearing his name at 5541 Belmont av., said:

"I have known him 16 years and have more respect for him than my own brother. He's always been a respectable, honest man and has a wonderful family. I was glad to be able to help him."

Another Defends Him.

Campagna also was defended by Martin Haas, president of the Burton Auto Spring Corp., 2433 W. 48th st. He said:

"His boy was in the Army and is a nice fellow. He worked for me and asked me for my help. Campagna lives in my neighborhood in Berwyn, and his children go to school with mine. He never did anything to me, and as far as I am concerned he's all right."

Another champion of Campagna was the Rev. M. A. Canning, pastor of St. Ferdinand's Church, 3116 Marmora av.

Family Asked Assistance.

"I was once the parish priest for the Campagnas and the family asked my assistance in getting him paroled. I wrote a letter to the parole board. If he wasn't a man of good character, I wouldn't have done so.

"I sent his son, Joseph, to Notre Dame. He enlisted in the Army Air Forces before graduating. Joseph had an excellent combat record," he said.

Campagna is a "man of good repute and has a very nice family," according to John Svitak of 2931 Maple av., Berwyn, a partner in a Berwyn motor sales company.

The ones listed as vouchin for D'Andrea were a little les outspoken than the Campagn backers.

James H. Hegarty of the Mack International Motor Truck Corp 33d st. and Wentworth av., ex plained that D'Andrea had a trucking company and that th two knew each other in a bus ness way."

Publicist Knows Him.

John R. Robinson, public rela tions counsellor at 228 N. La Sall st., declared that as a forme newspaperman he knew D'Andre only as any other newspaperma would have known him in th course of covering the city's new

Msgr. Michael Abraham of th Sacred Heart Church at Michiga City, Ind., also listed as havin "sponsored" D'Andrea, declare that he had met the latter onl once, and that was at a weddin so long ago he didn't even remem ber the principals. The parole of fice, Msgr. Abraham said, neve approached him, and he knew nothing about D'Andrea's char acter.

CHICAGO SUN

Sept 2, 1947

ENCLOSURE

RECORDED 58-7000-1421

EX-103

32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/24/81 BY SP1 alm

Green Aid Confirms Role in Obtaining Freedom for Gioe

U.S. Lists 36 Who Made Pleas

Here are the names and addresses of the 36 persons who supported the parole applications of four Chicago hoodlums, recently released from federal prisons.

The list was made public yesterday by the U.S. Parole Board. The four hoodlums are Charles "Cherry Nose" Gioe, Phil D'Andrea, Paul de Lucia, better known as Paul "The Waiter" Ricca, and Louis "Little New York" Campagna.

FOR D'ANDREA.

John R. Robinson, 228 N. La Salle st.

Joseph B. Ferrera, general manager, Krispy-Kleen Vegetables, Inc., 139-141 South Water Market.

F. E. Svoboda, manager, motor truck division, International Harvester Co., 2919 S. Western av.

Santo Garofalo, the Garofalo Co., 103-105 South Water Market.

S. M. Homan, Lincolnshire Estates, Inc., 7205 Exchange av.

The Rev. Angelo Dellavecchia, pastor, St. Mary of Mount Carmel Church, 6722 S. Hermitage av.

James H. Hegarty, Mack-International Motor Truck Corp., 33d st. and Wentworth av.

Msgr. Michael Abraham, Sacred Heart Church, Michigan City, Ind.

John Tiberi, president, Allied Construction & Supply Co., 3727 S. Maplewood av.

Charles S. Baer, M.D., 11 E. 34th st., Steger.

The Rev. John J. Renfel, pastor, St. Liborius Church, Steger.

Emanuel M. Stern, attorney, Pioneer Life Bldg., Fargo, N.D.

Anthony D'Andrea, brother of inmate, no address given.

Samuel H. Shapiro, attorney, 948 First National Bank Building, Chicago.

FOR CAMPAGNA.

Walter Lawrence, 743 Thatcher av., River Forest. (Parole advisor.)

Dominick J. Sibiliano, president, Sibiliano Furniture Co., 5541-43 Delmar av.

L. E. Lucas, editor, the Journal-Era, Berrien Springs, Mich.

Martin Haas, president, Burton Auto Spring Corp., 2433 W. 48th st., Chicago.

S. Nanini, president and treasurer, Rock Road Construction Co., 5915 Rogers av., Chicago.

Michael J. Romano, Morand Bros. Beverage Co., 818 S. May st., Chicago.

John Svitak, 2931 Maple av., Berwyn.

Guy F. Helm, Berrien Springs, Mich.

The Rev. M. A. Canning, pastor, St. Ferdinand's Rectory, 3116 Marmora av., Chicago.

FOR GIOE.

Harry A. Ash, superintendent of crime prevention for State of

See LIST, Page 2, Col. 4.

In Gang Parole Aid

LIST, from Page 1.

Illinois, 222 E. Chestnut st., Chicago (parole adviser).

Lloyd J. Butler, 133 N. Clark st.

P. L. Mann, Consolidated Wire & Associated Co., 1635 S. Clinton st.

Albert B. Turner, Turner Bros. Clothing Co., Roosevelt rd. and Halsted st.

David Fisock, 100 W. Monroe st.

FOR DE LUCIA.

(Better known as Ricca.)

The Rev. C. Marzano, 6219 Sheridan rd. (parole adviser).

F. J. Curry, 516 Western av., Joliet.

Curtis N. Vilas, P.O. Box 108, Sarasota, Fla.

James Lupori, Bell Oil Co., 5915 Rogers av., Chicago.

Dr. Morris W. Lev., 104 S. Michigan av.

Timothy Dineen, 5419 W. Van Buren st.

FOR ALL APPLICANTS.

Paul Dillon of St. Louis, with whom was Glenn P. Boehm of Washington, attorneys.

CHICAGO SUN

Sept 23, 1945

ENCLOSURE

RECORDED 58-2666-142

32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/95 BY SP5 cl/cw

SPONSORS TELL WHY THEY URGED CAPONE PAROLES

Attorney Who Appeared Still Refuses to Talk

Herewith are presented the police records of Louis Campagna, Phil D'Andrea, Charles Gioe, and Paul Ricca, members of the old Capone gang, who were convicted and imprisoned in a $1,000,000 motion picture industry shakedown, and whose recent federal parole has resulted in widespread repercussions. Also listed are the names announced by the justice department in Washington, D. C., as those of persons recommending the paroles, together with the comments made by those who could be reached.

CAMPAGNA'S RECORD

Louis Campagna, known in hoodlum circles as Little New York, was one of the original members of the Capone gang and a former bodyguard for the chief gangster. He has been arrested a score of times for gang activities.

He was arrested and sentenced to Pontiac, Ill., reformatory in March, 1919, for bank robbery and was paroled April 8, 1924. Arrested for parole violation Oct. 10, 1924, he was returned to the reformatory, reparoled Nov. 11, 1924, and discharged from parole Nov. 1, 1925.

He was questioned in the slayings of State Representatives John M. Bolton and Albert J. Prignano and that of Jack Zuta, head of a north side beer running and vice gang and Capone's rival for leadership. He was freed of a charge of vagrancy and conspiracy in April, 1928, and again on a vagrancy charge in December, 1932.

Indicted in Union Case

He was indicted in October, 1940, along with Frank (The Enforcer) Nitti, who succeeded Capone in the leadership of the gang, and five others for conspiracy to force gang rule on the bartenders' union. The charges were nolle prossed in June, 1941.

Campagna was indicted in March, 1943, and convicted in December of that year, on a charge of conspiring with Philip D'Andrea, Paul Ricca, and Charles Gioe, who were freed on parole with him; Frank Maritote, alias Frank Diamond, and John Roselli, all of Chicago, and Louis Kaufman of Newark, N. J., member of the stage employes union, to extort more than a million dollars from the motion picture industry in

Brothers Beverage company, 818 S. May st.: I have known the family—Romano, his wife, and children—for many years. I know that he is a nice, home fellow and that his wife is a very fine person. So I wrote a letter to the parole board.

DR. WALTER LAWRENCE, 743 Thatcher av., River Forest, parole adviser: No comment.

Others recommending a parole for Campagna were announced as:

MARTIN HAAS, president, Burton Auto Spring corporation, 2133-41 46th st., Chicago.

S. MANINI, president and treasurer, Rock Road Construction company, 5915 Rogers av., Chicago.

JOHN SVITAK, 2931 Maple av., Berwyn.

ONY F. HEIN, Berrien Springs, Mich.

D'ANDREA'S RECORD

Philip D'Andrea was sentenced to six months for contempt of court when he was found armed in the federal court during the trial of Al Capone on income tax evasion charges, in October, 1931. He said that he was acting as Capone's bodyguard.

He was arrested on general principles in November, 1932, with another Capone gangster. The record does not show a conviction.

He was convicted in New York with the other Capone gangsters in the movie extortion case.

D'Andrea, but do not wish to give his name.

JAMES H. HETARTY, salesman for the Mack International Motor Truck Co., 33rd st. and Wentworth av.: I've known D'Andrea in a business way for at least 15 years. I sold trucks to him when he was in the trucking business at 29th st. and Michigan av. I was asked to write a letter by a former manager of D'Andrea's trucking firm. I wrote that D'Andrea, in his business affairs, was trustworthy and reliable, and in behalf of the company recommended him as to his character and integrity.

JOHN TIBERI, head of the Allied Construction and Supply Co., 3727 S. Maplewood av., and parole adviser for D'Andrea: I knew D'Andrea for many years and am well acquainted with other members of the family, who asked me to act as parole adviser. I have had business and social relations with D'Andrea for years and I believe that he is a high class gentleman.

MSGR. MICHAEL ABRAHAM, Sacred Heart church, Michigan City, Ind.: I knew D'Andrea vaguely. In fact, I only met him once, but I heard that he was very sick and wrote the letter as an act of charity."

THE REV. ANGELO DELLA VECCHIA, formerly of St. Mary's of Mount Carmel church, 6722 S. Hermitage av., now transferred to parish at Niles, Ohio: I have not very much to say about that. I wish you woud not put my name in it.

JOHN R. ROBINSON, public relations adviser, 228 N. La Salle st.: I never wrote a letter or interceded personally in behalf of D'Andrea. I knew him 20 years ago when I was a newspaper reporter, but have not seen him in the last 10 years.

DR. CHARLES S. BAER, physician, 11 E. 34th st., Steger: I wrote a letter giving my opinion of D'Andrea's character, but do not wish to say who asked me to intercede. I have known the D'Andrea family for some time—ever since it has been living in Crete, near-by. I have been the family physician for the last five years. I believe that D'Andrea is a fine cultured gentleman.

THE REV. JOHN J. RENGEL, pastor of Immaculate Conception church, 3111 S. Aberdeen st.; he was transferred there last August after having been pastor of St. Liborius church, Steger: I signed a recommendation for D'Andrea's parole as a Good Samaritan. The D'Andreas had been parishioners of my church in Steger. I met D'Andrea only once or twice. My interest was solely in behalf of D'Andrea's young son, now about 13. After D'Andrea had been in prison for some time, his wife died, and the boy was left alone. The boy lived a while with an aunt and an uncle, then he was sent to a boarding school. He was absolutely lost and I thought he needed his father.

Others making representations for D'Andrea were announced as:

JOSEPH B. FERRERA, general manager, Krispy-Kleen Vegetables, Inc., 139-141 South Water mkt., Chicago.

SANTO GAROFALO, the Garofalo company, 103-105 South Water mkt., Chicago.

ANTHONY D'ANDREA, the parolee's brother, no address given.

RICCA'S RECORD

Paul Ricca, known to his gang associates as The Waiter, was arrested on general principles Jan. 23, 1927, and freed in court.

He was arrested as a general suspect in New York, with other gang members, in June, 1930, and freed.

He was arrested here in March, 1932, with four other gangsters, one of whom was Charles Luciano, New York vice lord, who was subsequently imprisoned and deported after recently attempted to return country thru Cuba.

Ricca was indicted with Campagna, Nitti, and others in 1940, on a conspiracy to take over the bartenders' union. His case was also nolle prossed.

The records show other arrests on lesser charges, but no convictions.

He was convicted in New York with the other gangsters in the million dollar movie extortion case.

SPONSOR'S COMMENT

DR. MORRIS W. LEV, 104 S. Michigan av.: At the request of DeLucia's attorney, Mr. Chesler, I wrote a letter stating that Ricca had been a patient of mine since 1941. I told of his physical condition and said that in my contacts with him I had found him to be a gentleman and upright, and that his family seemed the same way. He was the meekest fellow who ever walked into my office, altho of course my contacts with him were purely professional.

Others recommending Ricca's parole were announced as:

THE REV. C. MARSANO, 6218 Sheridan rd., Chicago (parole adviser).

E. J. CURRY, 316 Western av., Joliet.

CURTIS N. VILAS, P. O. box 108, Sarasota, Fla.

JAMES LAPORI, Ball Oil company, 5915 Rogers av., Chicago.

TIMOTHY DINOEN, 5419 Van Buren st., Chicago.

GIOE'S RECORD

Charles Gioe, referred to by his gangster associates as "Cherry Nose," was reported to have been a gunner for the Capone gang, but evaded the usual gangster arrests.

He was known to the police as "commission man" for the gang, or one who handled bets that were too big for bookmakers to handle. He was said to have managed the gambling operations of the gangsters.

He was arrested for questioning in several gang murders in 1930 with Campagna.

His conviction with the others in the movie extortion case in New York was the first that the authorities scored against him.

SPONSORS' COMMENT

DAVID ZISOOK, real estate agent at 100 W. Monroe st.: I prefer not to discuss it.

LLOYD J. BUTLER, pawnbroker, 133 N. Clark st.: I have known Gioe for several years and I have always known him to be a gentleman. My contacts with Gioe were as a customer.

HARRY A. ASH, state superintendent of crime prevention: About April, Sidney R. Korshak, attor 134 N. La Salle st., asked m give the parole board a lette Gioe. I wrote that I believed to be worthy of rehabilitation May, Gioe asked me if I woul his parole adviser. I never h from the government. I was n appointed Gioe's parole adviser, I never acted as adviser.

Others recommending Gioe's p. were announced as:

P. L. MANN, Consolidated and Associated companies, 163 Clinton st., Chicago.

ALBERT B. TURNER, Tu Bros. Clothing company, Roos rd. and Halsted st., Chicago.

union, [illegible] extorting from [illegible] owners in 1939. Dillon was required to produce his bank accounts in the St. Louis jury investigation which led to the indictment of Weston and Nick. Robert E. Hannegan, postmaster general, also was called as a witness.

L. E. LUCAS, editor, Journal Era, Berrien Springs, Mich.: I have known Campagna for quite a few years. I didn't know too much about what he was in for. But I've known him for a long time as a good citizen. He has a farm up here, always seemed to be a decent sort of chap, so I volunteered to write a letter to the parole board.

THE REV. M. A. CANNING, pastor of St. Ferdinand's church, 3116 N. Marmora av.: I have known Campagna and his family, particularly his family, for 15 years. There are three fine young daughters just growing to womanhood; one of them is a student at Rosary college; his wife is a fine woman. His boy, Joe, was in the air corps and was quite a hero just about the time his father was going to prison. The family came to me and begged me to go to the front for Campagna; they promised me with tears in their eyes that he would be a good citizen if he could be let out. I just couldn't find it in my heart to refuse them. It is part of our great creed to have charity, hope for the sinner. I have followed my conscience in this matter and I hope time will show that my judgment was right.

DOMINICK J. SIBILANO, president of the Sibilano Furniture company, 5511 Belmont av.: I have known Campagna for 16 years. I know him and his family, and know that he is a fine gentleman. I volunteered my services and wrote a letter to the parole board.

MICHAEL J. ROMANO, Morand

national Harvester dealings with several business dealings, selling him trucks, and D'Andrea, ed in a letter to the parole was asked to do so by a business associate of

BARE SPONSORS OF PAROLES FOR 4 CAPONE MEN

[Continued from first page]

for weeks had refused to tell the public who had asked for freedom for the four men and why—was headed by a statement from Daniel M. Lyons, recently appointed head of the parole board. His appointment as successor to T. Webber Wilson, who resigned as board chairman two weeks after the convicts returned to Chicago, was made by Clark.

Denies "Any Irregularity"

The statement which presumably quoted Lyons said:

"The files of the board give no evidence of any irregularity in the proceedings on these cases, nor of any improper approach made to the board, nor of any undue influence contributing to the board's judgment, which was unanimous."

"It may be Mr. Lyons' judgment that there were no irregularities in this case but it is not mine," said Busbey.

"It looks like the department of justice is trying to wield a whitewash brush, after having failed to suppress the facts about these scandalous paroles. Congress, not Mr. Lyons, will determine whether there was any irregularity, and if the appearance of Atty. Dillon, President Truman's pal, was undue influence."

Who, What, and Why

Busbey, along with Representatives Church and Reed [R., Ill.] had demanded that Clark and President Truman disclose to the public every detail of the who, what, and why concerning the paroles.

Leo M. Cadison of the attorney general's office, who handed out the press releases of the names, said that as far as he knew the list was "all" of those who appeared or wrote to the parole board in behalf of the convicts. He was asked if some names hadn't been withheld. He replied that he would inquire and answer the question later.

The congressmen said they would undertake to see if any names were covered up.

"We're going to get to the bottom of this mess," Busbey said. "No one who had a hand or voice in the matter will be permitted to remain unknown to the public.

"Congress intends to find out the motives of each person who asked freedom for one of the convicts. Were they offered a reward, or threatened? Did some of them have fears of violence or business troubles with unions if they refused?"

Privilege Public Opinion Copies

CHICAGO DAILY TRIBUNE
(Sept 13, 1946)

BARE SPONSORS OF PAROLES TO 4 CAPONE MEN

Truman Friend on List of 36 Names

WHAT SPONSORS SAY
Explanations of many of the sponsors for four paroled Capone gang members and a list of other sponsors will be found on page 3.

BY JAMES DOHERTY
(Chicago Tribune Press Service)

Washington, Sept. 22—The justice department today listed 36 persons as those "who made representations with reference to parole" for four notorious Chicago gangsters imprisoned for a $1,000,000 motion picture industry shakedown. At the end of the list was the name of Atty. Paul Dillon of St. Louis, Mo., pal of President Truman and White House favorite.

The justice department announcement said Atty. Glenn P. Boehm of Washington, D. C., reserved with Dillon "for all applicants."

Hearing Opens Thursday

Atty. Gen. Clark's office made the list of names public in Washington as arrangements were completed for a congressional hearing to start Thursday in Chicago. Rep. Busbey (R., Ill.) said he had notified Charles W. Fisher, United States parole agent in Chicago, to have the four ex-convicts present at the hearing which will start at 10 a. m. in room 628 of the United States courthouse there.

Busbey said Rep. Hoffman (R., Mich.), chairman of the committee on expenditures in executive departments, with full power to investigate and to issue subpenas, had authorized him to make the arrangements.

National Crime Syndicate

The men who were freed by the United States parole board and who will be questioned by the congressmen are Paul Ricca, reputed head of a national crime syndicate; Louis Campagna, Phil D'Andrea, and Charles Gioe, all members of the old Capone gang.

sentenced to 10 years each but were paroled last Aug. 13 at the end of 3½ years in prison. At their trial they were accused of conspiring to interfere with transportation and commerce by coercion and violence thru a threat to close every theater in the United States.

An appeals court, upholding their convictions, termed the group a "ruthless and grasping crew" of blackmailers whose crimes "struck at the very heart of civilized society."

All to Be Subpenaed

Busbey said all the persons listed by the department of justice would be subpenaed to tell the congressional committee why they asked the release of the men, termed public enemies by Police Commissioner Prendergast of Chicago, and recently named by State's Atty. Tuohy of Cook country, and his assistant, Wilbert F. Crowley, as top men in a national syndicate of crime and gambling.

The ex-convicts, themselves, will be asked how they came to hire Atty. Dillon, who, Busbey said, twice managed St. Louis campaigns for Truman when Truman was running for the United States senate. The campaigns were in 1934 and 1940.

Busbey said that he and Rep. Hoffman "regard these paroles as outrageous and a miscarriage of justice."

"Hoffman feels as I do, which is that no parole board in its right mind would think such men as these could be reformed," Busbey asserted.

Duty to the Public

"These men have been criminals all their lives. Parole was never meant for such. If money or political influence, or both, was used in their behalf, congress owes a duty to the public to get the truth."

The list of names handed out by the attorney general's office—which

(Continued on page 3, column 3)

CHICAGO DAILY TRIBUNE
Sept 23, 1947

ENCLOSURE
RECORDED 47-2000-142
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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 1-31-78 BY SP5 CJM

2 GANGSTER AIDS STEP INTO CASE FROM POLITICS

Paul Dillon of St. Louis and Eugene Bernstein of Chicago, two of the lawyers most active in the cases of four Capone gangsters paroled from federal prison while serving extortion terms, stepped into the case from a background of Democratic politics.

Bernstein, a former Democratic precinct captain in the 33d precinct of the 24th ward, home bailiwick of Jacob M. Arvey, Democratic county chairman, was indicted with four others on July 26, 1939, for conspiracy to violate the election laws in his precinct by tampering with 93 ballots in the April, 1938, primary.

Five Defendants Freed Twice

That October, when the case came before Judge William Lindsay in Criminal court, attorneys for Bernstein and the other defendants contended that the grand jury which voted the indictment was illegal, since it had no women members. The court upheld this view and the indictment was dismissed.

All five defendants immediately were reindicted. But when the case came up again in April, 1940, their lawyers argued that it was more than 18 months since the alleged crime was committed and that prosecution was barred by the statute of limitations. Again the court agreed and all five defendants went free.

Dillon Active in St. Louis

Dillon has been active in Democratic politics in St. Louis, and was city campaign manager there for President Truman when Truman, then a county judge, first ran for the senate.

At present Dillon is official attorney for John Dougherty, St. Louis sheriff, recently sentenced on a charge of fleeing the scene of an accident. Among Dillon's other clients have been John Lazia, former St. Louis Democratic leader and gambler, who worked hand in hand with the late Tom Prendergast and once was referred to as the Kansas City agent of the Capone mob.

Dillon testified here yesterday that he and Frank Walsh, another lawyer, now dead, represented Lazia when Lazia was convicted of income tax evasion in February, 1934, altho Dillon's name does not appear on the court record of the case.

Gambler Slain in Ambush

The conviction was appealed and the appeal was pending when Lazia, returning to his apartment in a fashionable hotel early one morning, was shot and killed by two men with machine guns, who stepped out of some bushes near the entrance.

Dillon testified that he interested himself in behalf of the four Capone hoodlums at the request of the late Edward M. (Putty Nose) Brady, former Missouri legislator and saloon owner, who had a long police record.

Brady was a political ally of State Sen. Edward J. Hogan, former gang leader known as Jelly Roll.

Attorney for Extortionist

Brady once was arrested when a loaded revolver was found in the pocket of an automobile in which he was riding with James (Rags) Callahan, former convict and member of John P. (Big) Nick's movie operators' union. Dillon was attorney for Nick, a vice president of the international union of which George E. Browne and Willie Bioff had seized control, when Nick and Brady were indicted for taking $10,000 from motion picture theater owners supposedly as a bribe for inducing theaters employes to drop wage demands. Both were dismissed by a Circuit court judge but when Nick later was sent to federal prison for extortion, Dillon got him a parole.

Dillon is 70 and a widower.

GEN. KEPNER NAMED HEAD OF AIR FORCE'S NEW ATOMIC BRANCH

[Chicago Tribune Press Service]

Washington, Sept. 26—Maj. Gen. William E. Kepner, commander of the technical division of the air training command at Scott field, Ill., today was named chief of the new atomic energy division of the air force. Kepner, 54, directed air operations at the Bikini atom bomb tests last year.

Maj. Gen. Kepner

He will serve under the deputy chief of air staff for research and development, and his division will deal with all atomic energy matters in the air force.

It will provide an exchange of information with the atomic energy commission and the armed forces special weapons project, an ultra-secret agency working on atomic weapons.

Kepner will be replaced at Scott field Oct. 1 by Maj. Gen. Charles C. Chauncey, 57, now air force deputy chief of staff. Chauncey formerly was chief of staff of the 8th air force and of the Mediterranean allied air forces.

Brig. Gen. William F. McKee will replace Chauncey as deputy chief of staff. McKee, 40, has been serving as assistant to the deputy chief of the air staff.

CHICAGO DAILY TRIBUNE

Sept 27, 1947

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(TRIBUNE Photo)

Atty. Paul Dillon, St. Louis attorney and former campaign manager there for President Truman, waiting to be heard at congressional probe of paroles for hoodlums.

CHICAGO DAILY TRIBUNE

(Sept. 7, 1947)

ENCLOSURE

RECORDED 58-7000-1422

32 DEC 3 1947

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The four Capone gangsters whose paroles are under scrutiny at hearing in the federal building listening closely to congressional testimony offered at yesterday's session. Ricca and several attorneys testified during the day's hearing.

CHICAGO DAILY TRIBUNE
Sept 22 1947

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NEVER CONVICTED

Dillon Often Target for Quizzes

Once Faced Disbarment

ST. LOUIS — (Special) — Paul Dillon, attorney for Sheriff John F. Dougherty of St. Louis and manager in St. Louis for President Truman when Truman was a candidate for the United States Senate, came into prominence here with the New Deal and with the success of the Truman campaign for senator.

Prior to that time he handled numerous damage suits cases in state and city courts.

In 1916 Dillon, son of the late Circuit Judge Daniel Dillon, faced disbarment proceedings here in Circuit Court on charges brought by the executive committee of the St. Louis Bar Association.

The petition charged him in 12 counts with malpractice in the handling of money for clients.

The sum which Dillon allegedly retained, but which belonged to clients, was $1,008.

DILLON, who is about 71, left St. Louis prior to the filing of the charges by the bar association.

It was reported that he was serving in the government of President Carranza in Mexico.

When his case came before the Circuit Court for trial, it was dismissed for lack of prosecution.

FOLLOWING his return to St. Louis, Dillon worked quietly on damage suit cases until he opened the campaign headquarters here for Truman in 1934.

Since that time he had represented whiskey and beer interests in Jefferson City, the state capitol, and has grown in business stature with the growth of the New Deal.

In 1935, he was one of the attorneys representing Mrs. Nellie Tipton Muench in the famous baby hoax case, in which Mrs. Muench attempted to obtain mercy from a court by claiming pregnancy during her trial on conspiracy to use the mails to defraud.

DILLON, a large man who prefers gray suits, acted as counsellor for several vote-fraud suspects here, following the notorious frauds in 1935.

He swept onward, if not upward, to represent John Nick, Motion Picture Operators' Union boss, and Clyde A. Weston, Nick's 'assistant,' in their trial for embezzling union funds.

Dillon received $15,000 from Weston for his services and was questioned about the fee by a grand jury.

HE HAD offices with Circuit Judge John W. Joynt and was appointed by the judge to serve as receiver for the C. E. Smith Co.

Judge Joynt was censured by the Missouri Supreme Court for the appointment, but Dillon was left in charge.

As attorney for Sheriff Dougherty, referred to in the Congressional sub-committee hearing as "Judge Dougherty" and "Johnny Dougherty," Dillon lost his fight to have the sheriff freed of charges of leaving the scene of an automobile accident in which there was personal injury.

The sheriff faces a sentence of one year in jail and a fine of $100. An appeal of the sentence is now pending.

Paul Dillon.
[Daily News photo.]

AGO DAILY NEWS
p 4 c 7 1947

ENCLOSURE

RECORDED 58-2000-1497

32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9-23-97 BY SP3 ALM

F.B.I. Joins Probe of Hoodlums

Two federal investigations into the release of four Capone mobsters were being made today following the recess of the Congressional investigating committee here.

The first was an F.B.I. probe into prison records and parole facts. The F.B.I. will report to the committee, which will resume hearings in Washington in about two weeks.

The second was an investigation by the new parole board chairman, Daniel M. Lyons.

• • •

AT YESTERDAY'S hearings, Lyons was asked by Representative Hoffman (Rep., Mich.) if revocation of the paroles was justified.

"After what I have heard, I want to look into the matter. But if the paroles are revoked, I want to make it stick. I am not like some policemen who act before they have the facts," Lyons said.

Lyons on Thursday said he was "neither empowered nor inclined to revoke the paroles." What Lyons heard at yesterday's hearings prompted Hoffman to de-

Turn to Page 4, Column 1.

F.B.I. Joins Probe of Hoodlums

Continued from Page 1.

clare the paroles "most unusual." He also said that a charge that money was paid in the deal would be investigated later.

• • •

THE HOODLUMS are Louis Campagna, Philip D'Andrea, Paul De Lucia, and Charles Gioe. All settled in the Chicago area after their release from prison last August.

They served three years of a 10-year sentence for extortion.

The hearings yesterday concluded with the testimony of Attorney Paul Dillon, of St. Louis, a friend of President Truman.

• • •

THE 70-YEAR-OLD lawyer testified:—that he asked a federal parole board for the mobsters' release last Aug. 5 or 6, and that they got out within two weeks —that he asked for the transfer of two of the hoodlums from Atlanta to the Leavenworth Prison

They were transferred soon afterward—that he helped get a parole for John P. Nick of St. Louis, vice-president of a theatrical union who was imprisoned for extortion.

The attorney denied that the matter had been mentioned to President Truman or Postmaster General Hannegan.

• • •

HE SAID he asked for the removal of Campagna to Leavenworth upon the request of Mrs. Campagna who complained about making trips all the way to Atlanta from Chicago.

He said his appeal to the parole board for the mobsters release was prompted by a resentment against George Browne, who escaped with a light sentence after testifying against the mobsters.

The St. Louis lawyer said that he spoke about the paroles to T. Webber Wilson, parole board chairman at that time.

Wilson resigned two weeks after the parole papers were signed.

DE LUCIA, who said he is 48 was questioned by Hoffman. He said he was friendly with Hymie Levin, Frank Nitti and Sam Hunt and, added, "they weren't gangsters."

He said he had taken bets from the late Scarface Al Capone, whom he called "a big bettor."

Asked if he had been treasurer of the Capone syndicate, De Lucia countered: "Syndicate? I don't know what you mean."

• • •

HE TESTIFIED that his income during the five years before his conviction averaged between $50,000 and $100,000 annually, most of which he acquired by gambling. He told the sub-committee his home at Long Beach, Ind., was worth $75,000, but answered negatively when asked if it had a 10-car garage.

"No. Two cars," he stated.

In a voluntary defense of his parole, De Lucia said, "I don't know who was more entitled to a parole than I was. I had a good conduct record; my fine was paid; my taxes were settled; and I was innocent on top of that."

CHICAGO DAILY NEWS

(Dept. 7, 1947)

ENCLOSURE

100-2006-142

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FBI

32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/95 BY SP5 alw

Parole of 4 Capone Men Stirs Inquiry

By the Associated Press.

WASHINGTON, Sept. 16.—The Federal Bureau of Investigation said yesterday it was conducting an inquiry at Attorney General Tom C. Clark's request into the paroling of four former members of the late Al Capone's gang.

The Chicago convicts, released Aug. 14, are Paul Ricca, Louis Campagna, Philip D'Andrea and Charles Gioe. They had served three years and four months of their 10-year sentences for extortion. They were convicted of extorting a million dollars from the movie industry.

Mr. Tolson
Mr. Tamm
Mr. Clegg
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Gurnea
Mr. Harbo
Mr. Coyle
Mr. Foulton
Mr. Quinn Tamm
Miss

Inquiry Into The Paroling of Four Former Members of the Late Al Capone Gang

RECORDED 1 58-20670-142
32 DEC 3 1947

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 5/23/95 BY SP5 alcw

CLIPPING FROM THE
N. Y. World Telegram
DATED SEP 16 1947
FORWARDED BY N. Y. DIVISION

DEFENDS FREEING OF CAPONE AIDES

Federal Parole Board's Head Says No 'Undue Influence' Is Evident in 4 Cases

WASHINGTON, Sept. 22 (AP)—Daniel M. Lyons, chairman of the United States Parole Board, said today there was no evidence "of any undue influence" in the parole of four one-time associates of Al Capone convicted of extortion.

Two Republican members of Congress, Representatives Fred E. Busbey and Ralph E. Church of Illinois, several days ago asked an investigation into circumstances of the paroles.

In Chicago, Mr. Busbey said a subcommittee of the House Committee on Expenditures in the Executive Department would begin an investigation with first hearings starting at 10 A. M. Thursday in Chicago. He said the hearings were ordered by the committee chairman, Representative Clare E. Hoffman, Republican, of Michigan. He said he did not know yet who would be summoned as witnesses.

The men released are Paul Ricca, Louis Campagna, Philip D'Andrea and Charles Gioe. All were freed on parole Aug. 14 after serving three years and four months of ten-year sentences imposed on charges of extorting $1,000,000 from the motion picture industry.

Mr. Lyons said in a statement:

"The files of the board gave no evidence of any irregularity in the proceedings on these cases, nor of any improper approach made to the board, nor of any undue influence contributing to the board's judgment, which was unanimous."

Mr. Lyons, who for long was pardon attorney in the Justice Department, became chairman of the parole board a week ago, in succession to T. Webber Wilson of Mississippi, who resigned to enter private law practice. The other parole board members are Fred S. Rogers of Texas and Boleslau J. Monkiewicz of Connecticut.

Mr. Lyons made public a list of thirty-six persons, nearly all from the Chicago area, who he said interceded for paroles.

Capone Aides Released

ENCLOSURE

RECORDED 28-2020-142

32 DEC 8 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/93 BY SP5 alw

CLIPPING FROM THE N.Y. Times

DATED SEP 23 1947

FORWARDED BY N.Y. DIVISION

Deny Irregularities In Gangster Paroles

WASHINGTON, Sept. 24 (INS)—Daniel M. Lyons, U. S. Parole Board chairman, declared today there was no "irregularity" in paroles granted Aug. 14 to four members of the Capone gang convicted of extorting one million dollars from the movie industry.

Lyons released the names of 36 persons who interceded in their behalf.

Reps. Busbey and Church, Illinois Republicans, had threatened a Congressional investigation unless full information was disclosed.

the Release of Four Members of the Capone Gang

ENCLOSURE

RECORDED 54-2000-1412
32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/95 BY SP5 cdw

CLIPPING FROM THE
N. Y. Journal American
DATED SEP 24 1947
FORWARDED BY N. Y. DIVISION

Broadway

By DANTON WALKER

Broadway Barometer

The oft-whispered legend that Amelia Earhart fell into Jap hands when she disappeared in the Pacific in 1937, and was still their prisoner during the war, will be exploded by the Coast Guard. . . . John Hamilton, who helped run Alf Landon's '36 Presidential campaign, has submitted a list of questions to Gen. Eisenhower to get his political views but so far has not received any satisfactory answers. . . . Should Eisenhower be the GOP choice, the Democrats will bring up, as a challenge to his political judgment, that Ike was most enthusiastic about our ability to co-operate with Russia too long after Stalin has proved the opposite. . . . The American Veterans Committee will soon abandon its New York headquarters and establish a political beachead in Washington to work on the lobbyists there. . . . President Truman will address the nation over a radio network early in October.

★ ★ ★ ★ ★

Canada will be the next country to hint that it would like a U. S. loan, and Denmark will be the next to impose a super-tax on our movies. . . . Congressmen currently overseas have been tipped off to be home by Oct. 15. . . . Greek ships putting into the Todd Shipyards for repairs. . . . The FBI much angered over the recent parole of four members of the late Al Capone's mob. . . . A much-publicized cafe society playgirl may turn up in the Hotel Marguery gambling scandal. . . . Mrs. Elizabeth Shumatoff, Russian portrait painter who was the last person to see President Roosevelt alive, is taking a course in dancing. . . . Has Virginia Hill set up her brother in business in a Pensacola, Fla., casino?

★ ★ ★ ★ ★

Margaret Sullavan going back to the pictures, now that "Voice of the Turtle" is a flop in London. . . . Gloria Swanson, after a short Bermuda vacation, to take a position with a travel agency in New York. . . . Ramon Novarro planning a screen comeback. . . . Eve Arden's daughter soon to make her cinema debut. . . . Ted Shawn dancing in Australia. . . . Actress Movita telling friends she'll seek an annulment of her marriage to ex-pug Jack Doyle. . . . Dorothy Maynor to give her first New York recital in three years at Town Hall Dec. 14. . . . Hollywood in for some more ribbing between book covers. Director Rouben Mamoulian has titled his tome on the movie makers "The Art of Gods and Monkeys." Edwin Gilbert's satire on the film writers, "The Squirrel Cage," due to be published by Doubleday the day following the opening of Congress' investigation into the film capital's alleged Red activities.

★ ★ ★ ★ ★

The Motion Picture Association has barred movie actors from making television appearances. . . . A religious group will urge that radio be forced to follow the same moral code the movies have, especially accenting the punishment as well as the crime. . . . GIs and Jap civilians eating up radio "whodunits." Weekly radio scripts of radio's "Mr. and Mrs. North" are being presented in stage form by Special Services detachments currently at the Ernie Pyle Theatre, Tokyo. . . . The economy wave in the movie industry hasn't, so far, affected the price of Esther Williams' bathing suits. One that she sports briefly in a new picture cost nearly $1,000. . . . In case you are interested, you can still get quite passable table d'hote dinners for 65c in Montreal.

★ ★ ★ ★ ★

The attempted attack on a 12-year-old girl by the skipper of a smart Long Island yacht club was hushed up before it reached the papers. . . . Hundreds of Brooklyn workers have informed their employers that they won't be "available" during the World Series. . . . More damage was caused by falling coconuts than by the wind in that Miami hurricane. . . . The black eye Met. Opera singer Robert Merrill is wearing came from a recent automobile accident in Vermont, in which his companion, conductor Sidney Baron, had his nose broken. . . . Myron McCormick getting coaching from an upstate newspaperman for his role as a scrivener on the new radio show, "Christopher Wells," supposed to depict the life of a columnist. . . . For the Straws in the Wind Department: From this column March 31: W. Stuart Symington, Assistant Secretary of War for Air, will become the first Secretary of Air Force, when the Army-Navy merger goes through." Confirmed by the headlines Sept. 18.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Gurnea
Mr. Harbo
Mr. Belmont
Mr. Mohr
Mr. Penn. Avenue
Mr. Quinn Tamm
Mr. Nease
Tele. Room

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ENCLOSURE

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32 DEC 8 1947

The Parole of Fo

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News

SEP 19 1947

FORWARDED BY N. Y. DIVISION

Blanket Call Set in Parole Quiz

A congressional subcommittee to investigate the circumstances of the release of four Chicago gang chiefs will call both past and present members of the federal parole board to testify.

This was announced today by Rep. Hoffman (R) of Michigan, whose subcommittee on federal expenditures in government executive departments will be called into session soon.

Subpenas will be issued to all persons in and out of public life who may be able to throw light upon the release of the extortionists, Hoffman said from his home at Allegan, Mich.

The quartet of Capone mobsters who were paroled after serving little more than a third of their 10-year sentences are Paul Ricca, Phillip D'Andrea, Louis Campagna and Charles Gioe.

FBI STARTS PROBE

FBI investigation began yesterady when two agents called upon Rep. Busbey (R) of Illinois to obtain any evidence he had of possible illegal acts in connection with the paroles.

First sessions of the congressional investigation, which need not be delayed until Congress reconvenes, will be in Washington, Hoffman said, but later sessions may be held here.

Asked whether Attorney General Tom Clark and T. Webber Wilson, who resigned as chairman of the parole board after the quartet's release on Aug. 14, will be summoned, Hoffman replied:

"Hearings will be complete and thorough. We will call everyone we believe can throw light on the circumstances of the paroles."

WASN'T CONSULTED

Federal Judge John Bright who sentenced the four mobsters after they were found guilty at a trial in New York, said he was not consulted on the parole applications of Ricca, Campagna and Gioe.

"They (the parole board) asked me to write what I knew about D'Andrea. I didn't okay parole for anybody. I didn't oppose parole in the D'Andrea case, but I didn't recommend it, either. I was only asked to write what I knew about him."

THE CHICAGO ...

Sept 16, 1947

ENCLOSURE

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32 DEC 3 1947

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Renews Call For Facts On Paroles

A new demand that the Justice Department make public records pertaining to the parole of four former Capone hoodlums was made by U.S. Representative Busbey (Rep., Ill.) today.

Busbey sent a telegram to Attorney General Clark asking that he be given the information "by return wire." Busbey first asked for facts in the case Sept. 8.

"More than a week has elapsed since I wired you," Busbey told Clark. "I have always understood congressional inquiries receive top priority in your department. . . . May I anticipate your reply by return wire. . . ."

• • •

TODAY'S telegram followed an announcement by Busbey that the circumstances of the paroles will be investigated by a House subcommittee.

He said Representative Hoffman (Rep., Mich.) had promised an early hearing on the matter by a subcommittee on expenditures in government executive departments, which Hoffman heads.

Another inquiry by the F.B.I. already is under way.

• • •

MEANWHILE, the four released convicts enjoyed their freedom today far from their once-favorite haunts.

Paul "The Waiter" De Lucia, and Louis "Little New York" Campagna, trusted lieutenants in the old Capone hierarchy, have become "gentleman" farmers.

Charles "Cherry Nose" Gioe, who gave his address as the Seneca Hotel, is pounding the pavements as a steel company salesman.

Philip D'Andrea now is in Rochester, Minn., for treatment of ulcers and a heart condition.

• • •

THE FOUR were paroled last month after serving one-third of a 10-year sentence for a million-dollar "shakedown" of the movie industry.

DeLucia, who also uses the name of Ricca, remained in seclusion in his River Forest home. A few days ago he took his wife, Nancy, and children to their 1,100-acre farm near Plainfield.

Friends of DeLucia said he has became adept as a tractor jockey. He spends most of his time on the farm and sees only a few relatives.

• • •

THE INTERESTS of Campagna, who once ruled the Capone gambling empire in the county, have turned to the herd of blooded cattle on his 800-acre farm near Lafayette, Ind. He has another country showplace in Berrien Springs, Mich., the playground of several other Chicago police characters.

Campagna, who has suddenly become touchy at the sight of his name in the newspapers, told friends:

"I just want to be left alone. I've done my bit and I want to go along without any trouble."

• • •

D'ANDREA was released from the federal medical center at Springfield, Mo. He had aged slightly, but his associates reported he said he felt better than he had in years.

About his ulcers they said:

"Phil always complained about his stomach when he became a little nervous."

CHICAGO DAILY NEWS
Sept 16, 1947

RECORDED

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DATE 9/23/93 SP5CAM

FBI Sifts Gang Chiefs' Paroles

The FBI was to open an investigation today to determine whether any unlawful acts were performed in obtaining paroles for four Chicago gang chiefs freed last month, Rep. Busbey (R) of Illinois said today.

He also expessed belief Daniel M. Lyons, new U. S. parole board chairman, will reveal some of the names of persons who interceded for the quartet.

The men freed, Paul Ricca, Charles Gleo, Louis Campagna and Phil D'Andrea, were sentenced to 10 years in 1943 in connection with extortion of $1,000,000 from movie industry leaders.

CHICAGOANS INVOLVED

He has been informed, Busbey said, that "two prominent Chicagoans" were among those who acted on behalf of the convicts.

Attorney General Clark, who announced Lyons' appointment Saturday, believes he should "make a statement on the subject," Busbey said. Clark maintains he cannot order the parole board to make a public accounting of its action.

"The refusal of all persons concerned to give the public an explanation in this case was natural," said Busbey.

TERMED OUTRAGE

"Those who know the facts consider the parole of these criminals an outrage against Chicago and the entire country.

"The attorney general said he didn't know about the paroles until after they were granted," he added.

Busbey said he has learned so far only that several priests were among those who petitioned for the gangsters' release.

Mr. A.
Mr. C.
Mr. C.
Mr. Clavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Peterson
Mr. Quinn Tamm

THE CHICAGO AMERICAN
Sept 15 1947

ENCLOSURE
RECORDED 142
SEP 8 1947

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/23/81 BY SP5 CLW

Busbey won't tell what he told FBI

Rep. Fred E. Busbey (R., Ill.) today refused to disclose what information he had given FBI agents who conferred with him about the parole of four Capone mob ex-convicts.

Busboy announced that a House subcommittee will start an investigation of the release of the men, who were paroled from 10-year sentences in a $1,000,000 movie extortion case.

Following the release from prison of the four—Paul Ricca, Louis (Little New York) Campagna, Phil D'Andrea and Charles Gioe—the Department of Justice refused to disclose details of their paroles.

Atty. Gen. Tom Clark has said that Daniel M. Lyons, new head of the federal parole board, will decide whether the record is to be made public. Lyons yesterday declared he might issue a preliminary statement after he has had time to study the record.

Dissatisfied with the delay, Busbey asserted there was no reason for making the record public.

"I told Clark there were nasty rumors regarding bribery and corruption in granting these paroles," Busbey asserted.

CHICAGO DAILY TIMES

Sept 16, 1947

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32 DEC 3 1947

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Busbey asks quick reply on paroles

Atty. Gen. Tom C. Clark was called upon again today by Rep. Fred E. Busbey (R., Ill.) to give information relating to the parole of four-old-time Capone gangsters.

The congressman telegraphed the attorney general, reminding him of earlier requests for information and saying he was "disappointed" the information had not been forthcoming.

Busbey has asserted the paroles given Philip D'Andrea, Louis (Little New York) Campagna, Paul (The Waiter) Ricca and Charles Gioe were of a suspicious nature.

Text of wire.

Here is the text of the wire:

"More than a week has elapsed since I wired you Sept. 8 asking you eight specific questions regarding parole of Ricca, Campagna, D'Andrea and Gioe. Have always understood Congressional inquiries received top priority in your department. I do not consider our telephone conversation of last Saturday, pertaining exclusively to questions seven and eight of my telegram an answer to my telegram.

"Disappointed new parole board chairman Daniel Lyon did not make announcement yesterday as you informed me you expected. May I anticipate your reply by return wire to my telegram of Sept. 8."

Sentenced for extortion

In his Sept. 8 message, Busbey had asked for all records in the cases including full details on their financial standing and commitments.

The quartet was paroled a month ago after 10 year sentences for extortion of $1,000,000 from motion picture companies had been cut short by the people board.

Lyon is the new chairman of the board who took office after the paroles had been granted.

CHICAGO DAILY TIMES

Sept 16, 1947

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House Unit Will Probe Parole of 4

Action Promised Soon on Release Of Capone Thugs

Representative Busbey (Rep., Ill.) announced in Chicago yesterday that he would initiate a congressional investigation of the parole last Aug. 14 of four Chicago Capone gangsters.

As he issued the statement, Federal Bureau of Investigation agents were waiting in his office at 10 S. La Salle st. to obtain all information he has about the circumstances of the paroles.

The agents talked with the congressman for 40 minutes. Afterwards Busbey said that what he had told them would be kept secret for the time being.

The F.B.I. was directed yesterday by Attorney General Clark to talk to Busbey and turn the information over to the Attorney General's office.

Probe to Start Soon.

Busbey declared that the congressional investigation would be opened "in the near future" by a subcommittee of the House committee on expenditures of the executive department. Busbey said that he had conferred by telephone with Representative Hoffman (Rep., Mich.), chairman of the full committee and of the subcommittee. Busbey is a committee member.

Meanwhile, Daniel M. Lyons, whose appointment as chairman of the U.S. Parole Board was announced Saturday, said that he may make "some kind of preliminary statement soon" on the paroles.

4 Convicts Named.

The released convicts are Paul Ricca, Louis Campagna, Phillip D'Andrea and Charles Gioe. They had served three years and four months of 10-year sentences imposed upon conviction of extorting $1,000,000 from the movie industry.

Busbey wired Clark a demand that the paroles be investigated. Representative Church (Rep., Ill.) sent a similar demand to President Truman.

Lyons said in Washington yesterday:

"I have been furnished with a copy of Congressman's Busbey's telegram to the Attorney General with reference to the parole of four federal prisoners.

Early Study Pledged.

"At the earliest possible time after assuming the office of chairman of the parole board, I shall give attention to the congressman's letter, with a view to answering the questions coming within the jurisdiction of that board.

"My only further comment at this stage is that there is under our system of laws a presumption of regularity attaching to the acts of all public offices."

Lyons would not enlarge upon the last paragraph.

CHICAGO SUN

Sept 16, 1947

ENCLOSURE

RECORDED / 11-2

32 DEC 3 1947

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FBI WILL PROBE U. S. PAROLE OF CAPONE CHIEFS

Busbey Awaiting Sponsor Names

BY JAMES DOHERTY

Rep. Busbey (R., Ill.) announced yesterday that an inquiry will be started today by the federal bureau of investigation to determine whether corruption, bribery, intimidation, or other unlawful means were used to obtain paroles for the four Capone gang chieftains whose $1,000,000 extortion case sentences of 10 years each were cut short last month.

Rep. Busbey

At the same time, Rep. Busbey said, he expects Daniel M. Lyons, newly appointed chairman of the United States parole board, to reveal at least some of the names of persons who interceded for the convicts. He said he understood that "two prominent Chicagoans" are among those who asked the parole board to free Paul Ricca, Phil D'Andrea, Louis Campagna, and Charles Gioe.

Lyons Should Talk, Clark Says

Atty. Gen. Clark, who appointed the three present members of the parole board and who had said he didn't have the power to order them to give a public accounting of their conduct in the Capone gangster cases, is of the opinion that Lyons "ought to make a statement on the subject," Busbey reported.

Lyons, a former Boston lawyer, has been pardon attorney in the department of justice since 1936 and Clark's adviser on matters of this sort since Clark became attorney general.

Lyons took the place of T. Webber Wilson, chairman of the board which freed the four gangsters. Wilson resigned two weeks after the gangsters returned to Chicago, where they were met by a blast from Police Commissioner Prendergast that they would not be permitted to "roam the streets of Chicago."

Refuse to Disclose Names

Wilson and the remaining members, Fred S. Rogers, a protege of Atty. Gen. Clark, and B. J. Monkiewicz, Republican, said they were not permitted to disclose the names of any persons who may have advocated the paroles of the four men. Even the name of the lawyer who acted for them was kept secret.

In St. Louis, Atty. Paul Dillon, a White House favorite who had a pre-trial connection with the extortion case in which Ricca, D'Andrea, Campagna, and Gioe were convicted, said it was nobody's business whether or not he acted for the four.

"The refusal of all persons concerned to give the public an explanation was natural in this case," said Busbey. "The parole was considered an outrage against Chicago and the entire country by those who know the facts."

FBI Assigned to Task

"I told the attorney general that the good name of the department of justice required that all rumors of bribery in the parole cases should be run down, and the public should be given the facts. He said he would assign the bureau of investigation to that task and the FBI is to contact me tomorrow."

"Atty. Gen. Clark said he didn't know about the paroles until after they were granted," Busbey said.

"Mr. Clark said he was still of the opinion that the parole board is an autonomous body which makes its own decisions and does not take orders from him. However, he stated as his own opinion that the parole records in these cases should be made public."

The congressman said his requests thus far have brought him only vague statements that several priests were among those who petitioned for the freedom of the four gangsters.

CHICAGO DAILY TRIBUNE
Sept 15, 1947

RECORDED 142

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/82 BY SP5 CAM

PROBE MOB PAR

Ask Facts On Aids Of Capone

'Full-Dress' Quiz Ordered by Clark

Attorney General Clark today ordered the Federal Bureau of Investigation to make a "full dress" investigation of the parole from federal prison of four former Capone gang hoodlums.

He directed J. Edgar Hoover to start the F.B.I. probe following charges by Representative Busbey (Rep., Ill.) that the release of the gang leaders last month was a "gross miscarriage of justice."

* * *

CLARK SAID in Washington that the Chicago office of the F.B.I. would ask the Chicago congressman for evidence to support the charge.

Clark said the G-men would report to him on their findings.

Busbey had announced here earlier today that F.B.I. agents would launch the probe.

* * *

HE HAD CHARGED that "two prominent Chicagoans" were among those who interceded for the mobsters' release.

The four released were Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe.

Ricca, Campagna and Gioe were paroled last month from the federal prison at Leavenworth, Kas., after serving 3½ years and 4 months of a 10-year sentence for a $1,000,000 movie extortion plot.

D'Andrea was released from a federal hospital at Springfield, Mo.

* * *

REPRESENTATIVES Busbey and Church (Rep., Ill.) have threatened a congressional investigation unless full information about the paroles is made public.

The Chicago congressman, before conferring today with F.B.I. agents, said he expected Daniel M. Lyons, newly appointed chairman of the Federal Parole Board, to disclose the names of "two prominent Chicagoans" who interceded for the hoodlums' release.

But in Washington, Lyons told the Daily News bureau he had not examined the record, and was not sure whether he could make public the names of persons asking for paroles of convicts.

Lyons said that until today he never had heard of rumored political influence in the parole of the gang leaders.

* * *

BUSBEY said he would ask the F.B.I. to determine if any illegal pressure was applied to gain their release.

Lyons said in Washington today, "Whatever matter in that case comes before me as a parole board chairman will receive my fullest attention.

"I don't want to be stuffy in talking about those paroles, but I don't know anything about the case. I have not taken office yet. I expect to tomorrow. I have not examined the record."

"Can paroles such as these be recalled?" he was asked.

"I never heard of a parole being revoked," he replied, "except when it has been violated by the released prisoner."

"I can only assume that the board acted in entire accord with the law," Lyons said.

* * *

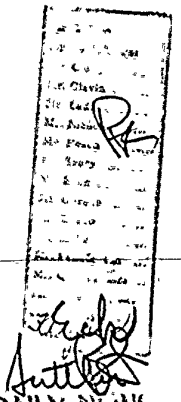
RICCA, Campagna, D'Andrea and Gioe were sentenced to 10 years in prison in 1943 in New York on conviction for the million dollar movie industry "shakedown."

They were paroled Aug. 14 after serving the minimum terms required.

* * *

ON AUG. 30 T. Weber Wilson, chairman of the parole board, resigned. The other two members, Fred S. Rogers of Bonham, Tex., and B. J. Monkiewicz, New Britain, Conn., have refused comment, as has Wilson.

Attorney General Clark announced appointment of Lyons as chairman Saturday.



CHICAGO DAILY NEWS

Sept 15, 1944

ENCLOSURE 142

RECORDED

32 DEC 3

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 5/28/85 BY SP5 CAL/CW

OLES, F.B.I. TOLD

WIRE FROM CLARK

Puts Paroles Of 'Hoods' In Board Lap

U.S. Attorney General Clark today placed full responsibility for the release of four former Capone hoodlums from prison on the federal parole board.

In a telegram to Representative Busbey (Rep., Ill.), a spokesman for Clark said:

"All power, authority and duties of the attorney general with respect to the parole of U.S. prisoners were transferred to board of parole by act of May 13, 1930. Therefore, your questions . . . may be directed to the parole board."

• • • •

REPRESENTATIVE Busbey wired Clark on Sept. 8, asking full information about the release of the four men last month, after they had served one-third—the minimum—of 10-year sentences for a $1,000,000 "shakedown" of the movie industry.

Clark's reply was signed by Douglas W. McGregor, an assistant to the attorney general.

Busbey also received a brief telegram from Daniel M. Lyons, who was appointed new chairman of the parole board a few days after the hoodlums were released. Lyons said:

"I have just been sworn in as chairman of the parole board and will give your telegram immediate attention."

• • • •

DESPITE his statement that responsibility for the paroles rested with the board, Clark has ordered an inquiry into the case by the F.B.I. A congressional investigation has been instigated by Representative Busbey.

The four parolees are Paul Ricca, Louis Campagna, Phil D'Andrea and Chares Gioe.

CHICAGO DAILY NEWS

Dept 17, 1947

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32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/22/95 BY SP5 CAL/AW

U. S. May Revoke Paroles of 4 Capone Gangsters

Continued from First Page.

Hoffman said Dillon would be called later.

SERVED THREE YEARS

The four Capone leaders were paroled in August after serving three years and four months of their sentences of 10 years in the million-dollar shakedown of Hollywood movie companies.

The Warden Sanford letter and a Bureau of Prisons interoffice memo were read by Rep. Hoffman while Lyons was on the stand.

Hoffman then took over the questioning of Lyons.

Q—With these files before you, do you consider revocation of any of these paroles? A—I don't know yet. I must consider more. And only what the FBI brings out (the FBI is investigating the paroles). If I issue a revocation of these paroles, I want them to stick. I want enough legal cause to reincarcerate them.

Q—But would you consider revocation on the testimony you have heard at this hearing so far? A—I have heard enough in the records to review the matter of revocation of paroles.

NOT DISTURBED.

The four gangsters, all Chicagoans, gave no sign they were disturbed by Lyons' statement or by the Sanford letter and the bureau of prisons memo.

Sanford's letter was written to Frank Loveland, assistant to Director of Prisons Bennette, and it read:

"It had been written to Frank Loveland, assistant to Director of Prisons Bennett, and it read:

"It appears that DeLucia (Ricca) and Campagna were recommended for transfer to Leavenworth on April 26, 1945, and the recommendation was subsequently disapproved by the bureau because of the presence of Circella (Alias Nick Dean, a Chicago gangster), at Leavenworth, and other factors.

OPPOSES TRANSFER

"Mr. Bennett has not discussed with me the advisability of transferring these men. As to D'Andrea, no recommendation has been made at any time.

"From information received, it is quite evident that money is being paid to obtain the transfer of these men to Leavenworth, and I do not believe they should be transferred at this time for this reason.

"I, of course, would have no objection but they will be problems at Leavenworth. In respect to the above, the same as here. Also I do not believe they should, if approved for transfer, be transferred by rail under any circumstances."

There was a handwritten notation at the bottom of the letter. The notation, unsigned, read:

"Talked to Warden Sanford. Has no indication that money has been paid. Just said that two attorneys had been very active in their cases, William Scott Stewart and A. Bradley Eben. Assumed they might be waiting."

WIFE TESTIFIES

Serving on the committee with Hoffman are Fred E. Busbey (R) of Illinois, Porter Hardy (D) of Virginia and Melvin Snyder (R) of W. Virginia. Rep. Ralph Church (R), of Illinois is attending as an observer at the invitation of Hoffman.

Mrs. Charlette Campagna, attractive wife of Louis (Little New York) Campagna, repeated her husband's story of the generous friends who supplied the money to settle his $247,000 income tax trouble, but she did not reveal their identity. Under questioning by Rep. Hoffman she said that while her husband was in prison she got a letter from the government and got in touch with our attorney, Eugene Bernstein."

Q—How much did you husband settle his income tax difficulties for? A—Eighty-[illegible] dollars.

Q—Who gave you that money? A—Friends.

Q—Who were the friends? A—I don't know.

Q—What business are you in? A—I own a flower shop at Michigan and Western Avs.

Q—What has been the average yearly income from that business for the past five years? A—The records would show that.

Q—What has been the profit from the business? A—That doesn't pertain to this case.

Q—What's the average net yearly income? A—Sixty-five hundred dollars.

SILENT ON FUNDS

Q—Do you have a bank account? A—No.

Q—Where do you keep your money? A—I'd rather not answer.

Q—What has your husband accumulated? A—I don't know anything about his affairs.

Q—What does your Indiana farm pay? A—About $30,000 a year.

Q—What was the net worth of your husband before he got into this trouble? A—I knew nothing of his business.

KNOWS HOODLUMS

Q—What business was he in? A—That I don't know.

Q—Do you know Jack Guzik? A—I know of him.

Q—Do you know Hymie Levin? A—I have met him.

Q—How many times? A—Oh, probably six or seven—I don't know.

Q—Do you know Ralph Pierce? A—Yes, I know him. He was a defendant in this trial.

Q—Do you know Sam Hunt? A—No, I don't.

Q—Do you know Lester Kane? A—No, I don't.

Q—Do you know Tony Capezio, known as Tough Tony? A—His wife and I are partners in my business. The newspapers have nicknamed him Tough Tony, but his friends don't call him that.

Q—Now you don't know who paid this money for your husband's income tax? A—No, I don't know where it came from.

Q—(by Church) Have you ever thanked anyone for the payment of that money? A—I thanked no one.

Q—Were they men or women (those who brought the money)? A—I do not know.

WORKS ON FARM

Q—(By Hoffman) What work is your husband doing now? A—Since he was paroled he has worked on the farm.

Q—(By Church) On these phone calls, what did they say? A—They told me not to worry, that the tax had been paid.

Q—If you can recall the voices and recognize them before we adjourn, will you let us know? A—I can answer that now—that I don't think I can recall the voices.

May 19, 194[illegible]

MEMORANDUM FOR FILES

Re: Louis Campagna, #63773-A
Paul de Lucia, #63776-A

Mr. Paul Dillon, an attorney from St. Louis who states that he was a former campaign manager for President Truman, was in the office today to see Mr. Bennett but in his absence was referred to me. He stated that he had been requested by an official of the Continental Bank of Chicago to see what he could do to have the above named prisoners transferred from Atlanta to Leavenworth where they would be nearer their homes in Chicago. He stated that he had no personal interest in the matter and was not trying to bring any pressure but that he would appreciate transfer being made if it were proper. I told him that the matter had been given consideration only recently and that under ordinary circumstances it could be accomplished but that there are inmates at Leavenworth who are unfriendly with these two inmates and that there might be serious trouble if these two were placed in Leavenworth. He stated that he had some time in the future perhaps the situation at Leavenworth would be such that the transfers could be properly made. He appeared to be satisfied and made no further argument.

Mr. Dillon was aware of the fact that the request had formerly been made to Mr. McGreanery and that no action had been taken. He was not particularly familiar with the defendants involved and had never heard of Nick Circella.

FRANK LOVE[illegible]

LETTER TELLS PAUL DILLON'S PLEA FOR TWO FELONS

Atlanta warden's memo on Louis Campagna and Paul deLucia

(Herald-American photo.)

U. S. May Put Gang Chiefs Back in Jail

The parole of Capone Syndicate Extortionist Charles (Cherry Nose) Gioe was a "rush order," Joseph Colosimo, assistant federal parole agent, told the Congressional committee today. Because of this, he said, he did not investigate the man's parole adviser, Louis Pelton.

He also said Harry Ash, superintendent of the Illinois bureau of crime prevention, had been the original adviser—a contradiction of Ash's own testimony of yesterday.

A review of the paroles of four Capone syndicate extortionists that might send them back to federal penitentiaries was promised today by Daniel M. Lyons, federal parole board chairman, at the congressional investigation of the paroles.

He made the promise after hearing Rep. Clare Hoffman (R) of Michigan, chairman of the investigation, read a letter from Warden Sanford of the Atlanta federal penitentiary in which Sanford said in July, 1945, it was "quite evident" that money was being paid in an effort to get three of the hoodlums transferred to Leavenworth.

The hoodlums are Paul (The Waiter) Ricca, alias DeLucia; Louis (Little New York) Campagna; Phil D'Andrea—the three mentioned by Sanford—and Charles (Cherry Nose) Gioe.

BARE DILLON ROLE

Other major developments at the hearing in the U. S. Courthouse were:

1—A second disclosure from Bureau of Prisons records that Attorney Paul Dillon of St. Louis had introduced himself as a former campaign manager for President Truman in asking the bureau to transfer Campagna and Ricca.

2—Disclosure that Dillon—he was Truman's manager when Truman ran for the Senate—told the bureau he had been asked by an official of the "Continental Bank of Chicago" to see what he could do to have the two men transferred. The bank official was not named.

3—Dillon made an unexpected appearance at the hearing, saying he had not been subpenaed but did not want the impression to get around "I would duck the hearing." Rep.

Continued on Page 8, Column 2

THE CHICAGO AMERICA

Sept 26 1947

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RECORDED

32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/81 BY SP5 alw

Parole Quiz Ties Truman 'Pal' to Mob 'D

Bare Request For Transfer

Continued from Page 1.

that they should be transferred at this time for this reason.

"I, of course, would have no objection but they will be problems at Leavenworth in respect to the above, the same as here.

"Also, I do not believe they should, if approved for transfer, be transferred by rail under any circumstances. I know that you realize that if these men are transferred because of residence, that requests will be immediately made by the other co-defendants."

Lyons, the first witness today, testified yesterday that "the record of the paroles was clear and no evidence for revocation of them has been shown."

* * * *

THEN, last night, Lyons and members of the committee studied the fat records of the parole proceedings in executive session.

Opening today's hearing, Representative Clare Hoffman of Michigan, committee chairman, said:

"There are things of value in those records. They concern certain individuals. But in the opinion of some members of the committee, certain things contained in those records, if disclosed, might hinder the F.B.I. in its inquiry.

"Therefore the committee decided to withhold action on certain parts of the record till the F.B.I. completes its investigation, which probably will be within two weeks."

Hoffman indicated that he did not agree with other committee members in holding back a disclosure of the parole records.

"They know what this is all about and what the F.B.I. is investigating," he said. "I personally see no reason for delay action."

Then, asking Lyons to restate his position, Hoffman asked:

"On the basis of what you heard at this inquiry and what we discussed last night, do you feel that action toward revocation of these paroles is justified?"

* * * *

LYONS replied: "After what I have heard I want to look into the matter. But if the paroles are revoked, I want to make it stick. I'm not like some policemen who act before they have the facts."

Representative Fred Busbey of Chicago, a committee member, said to Lyons:

"Yesterday you gave the impression that you would take no action toward revocation of the paroles."

"If I was misunderstood I want to clarify my position," Lyons replied.

* * * *

LYONS and Hoffman engaged in a sharp interchange when the parole chief protested the photographing of the Dillon memorandum by press cameramen.

Lyons: "Were the files photographed by others than committee members?"

Hoffman: "Some of those read into the records were, with my permission, photographed by the press."

Lyons: "I protest against that in the future."

Hoffman: "Why?"

Lyons: "I dont care to say, but I gave those documents to your custody only for the purpose of reading them into the records."

Hoffman: "I can't understand why. A photograph is an accurate record. I might make a mistake in reading or the stenographer might make a mistake. Do you object to an accurate record?" (As Lyons hesitated) "Apparently you do."

* * * *

LYONS: "Photostat cameras are special cameras and not the type the press carries around."

Hoffmaen: "Fiddle-dee."

Busbey then took up the issue over photographing of the files.

LYONS: "In my office in Washington the Tribune [Chicago Tribune] told me the committee would investigate and that the Tribune would get the files. I will not surrender these files without your assurance that they will not go to the press."

Busbey: "I assure you that when we get back to Washington we will subpoena the files and they will get to the press."

* * * *

LYONS WAS excused. Campagna's wife, Charlotte, a tall, large-boned woman with a profusion of gold jewelry, then was called.

Mrs. Campagna made the naive comment that she "didn't think it would be a very nice thing to do" to name her husband's friends.

* * * *

HOFFMAN read the published names of the sponsors for her husband's parole and asked her if the list was accurate.

"Yes," she said; "They are the ones and no others."

Q—Did you get a letter from the Internal Revenue Department about your husband's income tax?

A—Yes, and I immediately consulted Attorney Eugene Bernstein. He handled it from there and later told me it was settled.

Q—Where did he get the money?

A—From friends.

Q—How much?

A—Approximately $89,000.

* * * *

Q—WHO were the friends?

A—I don't know. I got several phone calls from persons saying they would take care of the matter. Then Mr. Bernstein said it was cared for.

Q—What was your business before your husband's conviction?

A—I had a flower shop.

Q—What was th eaverage income?

A—About $6,500 a year.

Q—What were your savings?

A—About $3,500.

Q—How about your husband?

A—I know nothing of his finces.

Mrs. Campagna then said she has a farm in Berrien County, Mich., which brings her about $3,500 a year.

Q—Tell us who some of your husband's friends were.

A—I don't think that would be a very nice thing to do.

Hoffman commented dryly: "The chairman thinks it would."

* * * *

HE THEN began calling the roll of well-known hoodlums, asking Mrs. Campagna whether each was a friend of her husband.

Q—Hymie Levin?

A—I know of him. I've seen his several times.

Q—Ralph Pierce?

A—He was a defendant with my husband and was acquitted.

Q—Was Tony Ca... [illegible] as "Tough Tony"?

A—His w... [illegible] shop with m...

Q—Sam ...

A—I don...

Q—Then ... paid this ...

A—I do ...

REPRE... Church of ... over the "u...

Q—Hav... anyone?...

A—I cou...

Q—Did ... voices of ... phoned?...

A—No.

CHICAGO DAILY NEWS

Sept 26, 1945

Warden Hints Money Paid

Chicago Banker Reported To Have Pressed for Transfer

BY ALFRED PROWITT.

The role of Paul Dillon, St. Louis attorney and reputed friend of President Truman, was brought out openly here today in the investigation of federal paroles for four Capone gangsters.

Official prison records revealed by the congressional committee investigating the paroles showed that Dillon once tried to have two of the hoodlums transferred from Atlanta Prison to Leavenworth.

In interceding for the hoodlums, the document declared, Dillon represented himself as a former campaign manager for Truman, referring to Truman's two successful senatorial campaigns.

Further, Dillon was reported as saying an official of the Continental Illinois National Bank had asked him to "have" the Capone lads moved to the other prison.

* * *

ABOUT THE same time that Dillon was going to bat for the hoodlums, the Atlanta warden charged that "money is being used" to effect a shift of prisons.

Dillon, who later represented the four Capone men in their release from prison, appeared voluntarily today at the hearing.

He was to be summoned to the stand this afternoon to tell his side of the story.

* * *

ANOTHER highlight of the day was a change of heart by Daniel M. Lyons, chairman of the Federal Parole Board, who said he now wants to "look into" the paroles.

The wife of Louis "Little New York" Campagna, one of the paroled mobsters, also testified.

She revealed that she had something of her husband's abiding belief in Santa Claus. Campagna had testified yesterday that he didn't know who gave the $89,000 to settle his $468,000 income tax arrears while he was in prison. She didn't know, either.

* * *

THE OTHER Capone lads whose paroles are under scrutiny are Paul "The Waiter" Ricca, Charles "Cherry Nose" Gioe, and Philip D'Andrea.

The four were paroled after serving a third of their 10-year sentences for a $1,000,000 shakedown in the movie industry.

* * *

DILLON'S name was brought into the investigation in an office memorandum for the files written by Deputy Prison Director Loveland and dated May 19, 1945. The memorandum:

"Re Campagna and De Lucca. Mr. Paul Dillon, an attorney from St. Louis, states that he was former campaign manager for President Truman, was in to see me.

"He stated that he had been requested by an official of the Continental Bank in Chicago to see what he could do to have the above-named persons transferred from Atlanta to Leavenworth, where they would be nearer their homes in Chicago.

"He stated that he had no personal interest in the matter and was not trying to bring any pressure, but that he would appreciate the transfer being made if it were proper.

* * *

"I TOLD HIM that the matter had been given consideration only recently and that under ordinary circumstances it could be accomplished, but that there are inmates at Leavenworth who are unfriendly with these two inmates and there might be serious trouble if these two were placed in Leavenworth.

"I told him that sometime in the future perhaps the situation at Leavenworth would be such that the transfer could be properly made. He appeared to be satisfied and made no further argument.

"Mr. Dillon was unaware of the fact that the request had been made to Mr. M. C. Graney [then first assistant to the attorney general and now a federal judge] and that no action had been taken.

"He was not particularly familiar with the defendants involved and had never heard of Nick Circella."

* * *

THE CHARGE about use of money for an attempted transfer of three hoodlums was contained in a letter from Joseph W. Sanford, Atlanta warden, to Frank Loveland, deputy director of prisons at Washington, D.C.

* * *

THE LETTER, dated July 21, 1945, reads:

"Re Paul De Lucca [Paul Ricca] Louis Campagna and D'Andrea:

"In reply refer to:

"Re your teletype July 18, 1945. It appears that De Lucca and Campagna were recommended for transfer to Leavenworth on April 26, 1945, and the recommendation was subsequently disapproved by the bureau because of the presence of Circella [Nick Circella] at Leavenworth and certain other factors.

[Nick Circella, alias Nick Dean, pleaded guilty in the extortion case and is now serving his 10-year sentence.]

* * *

"MR. BENNETT [director of federal prisons] has not discussed with me the advisability of transferring these men to Leavenworth. As to D'Andrea [Philip D'Andrea], no recommendation has been made at any time.

"From information received, it is quite evident that money is being paid to obtain the transfer of these men to Leavenworth and I do not believe

Turn to Page 7, Column 1.

SOUGHT TO AID HOODLUMS

Paul Dillon, who identified himself as a former senatorial campaign manager for President Truman. [Daily News photo.]

CHICAGO DAILY NEWS

Sept 6 1945

CAMPAGNA VS. HOFFMAN

PAROLEE QUIZZED Quizzing by Rep. Clare Hoffman (right) ferrets little information of mysterious tax "gift" from parolee Louis Campagna—except that he believes in Santa Claus—at federal probe into parole of four ex-Capone mobsters. Verbal battle continues today. (See page 3.)

—*TIMES photo by Bill Pauer*

CHICAGO DAILY TIMES

Sept 26 1947

ENCLOSURE
RECORDED 58-2600-142
F B I
32 DEC 3 1947

ALL INFORMATION CONTAINED
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DATE 2/23/95 BY SP5 alm

Guzik named — in parole probe

Jack Guzik's name cropped up today at Chicago's congressional committee inquiry into the rapid paroles of four ex-helpers of Al Capone.

Guzik, was mentioned, along with some syndicate gambling associates, as four congressmen at the hearing dug into whence came $78,000 to pay Louis (Little New York) Campagna's income tax bill.

Campagna's story is that several strangers kept dropping in at his lawyer's office and handing him cash.

The stubby gangster's wife, Charlotte, was called to testify and said, yes, she knew Jack Guzik, Hymie Levin, Ralph Pierce, and Tough Tony Capezia.

"Capezia's wife is my partner in a flower shop," she said.

Picture on page 39

Mrs. Louis Campagna *testifies for husband.*

Thanked no one

Q. (By Rep. Clare Hoffman R-Mich.)—Who did you thank for the money paid on your husband's income tax?

A. I thanked no one.

Q. Do you know who paid it?

A. No.

Q. Did you think it was paid by just anybody?

A. I thought it must have come from friends.

But concerning who those friends might be, Mrs. Campagna was just as close-mouthed as her husband had been.

Atty. Paul Dillon *purely voluntary*

Lyons on stand

Testifying again today was Daniel Lyons, whose predecessor as chairman of the U. S. Parole board, T. W. Wilson, okayed the paroles for Campagna, Phil D'Andrea, Paul De Lucia, alias Ricca, and Charles (Cherry Nose) Gioe.

The four got out of prison after serving only one-third of 10-year sentences for a $1,000,000 movie industry shakedown.

Lyons read from his records the following dialogue between Campagna and a parole board questioner some months ago:

Q—They say you belong to a Chicago syndicate that succeeded Al Capone's gang. Is that right?

A—That is not so.

Q—How did they hook you in the extortion case?

A—Association, I guess. Just knowing them.

All childish

Rep. Fred E. Busbey (Rep., Ill.) stopped that line of testimony by declaring: "This is all childish: the parole board chairman should be held to public censure."

Lyons: "You meant the resigned chairman, don't you?"

Busbey: "Yes."

A letter with a reference to money payments in efforts to get prison transfers for D'Andrea, Campagna and De Lucia also came out at today's hearing.

They wanted to be sent from Atlanta to Leavenworth, to be closer to Chicago for visits from relatives.

The letter was written by Joseph W. Sanford, warden at Atlanta prison, to Warden Loveland at Leavenworth.

"From information received, it is quite evident that money is being paid to obtain transfers for these men, and I do not believe they should be transferred at this time," Sanford wrote.

It later developed, however, that Sanford knew of no payments, except fees given by the prisoners to Attys. William Scott Stewart and A. Bradley Eben.

Ready to testify today was Atty. Paul Dillon, St. Louis, who described himself as President Truman's campaign adviser in Missouri. He sponsored the paroles of all four men.

Lyons revealed that Gioe's parole sponsor is Lou Felton, of the Seneca hotel, head of a bakery supplies company, and not Harry Ash, state superintendent of crime prevention.

Felton's name, however, does not appear in the records of Gioe's parole, Lyons said.

Disclaims adviser role

The name of Ash had been included in the list of sponsors of the parolees. He testified, however, that he never accepted appointment as Gioe's adviser.

Ash said his name got into the federal files when he permitted it to be submitted as adviser.

The income tax bill of Campagna and the settlement made on the tax were subjects of sharp questioning.

Campagna, however, admitted little more than that he believed in Santa Claus under the lengthy questioning of Reps. Melvin Snyder (R., W. Va.), Porter Hardy (D., Va.) and Clare Hoffman (R., Mich.).

Snyder asked if there hadn't been a government tax lien of $468,877 against Campagna for income taxes from 1937 to 1941.

"So they claim," Campagna replied.

Believes in Santa

Q.—Our understanding is that you owed $465,000. How were you able to pay that off?

A.—Oh, we had income from our farm and my wife's business.

Q.—Maybe you believe in Santa Claus?

A.—Yes.

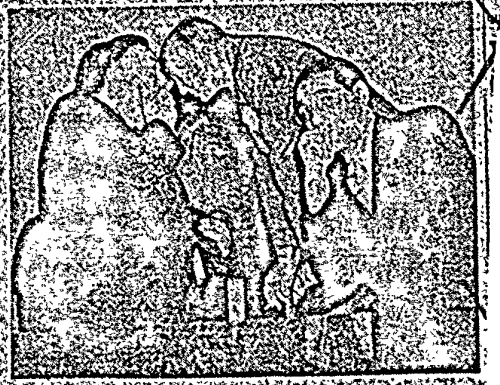
Here, Atty. Joseph Bernstein announced that he had handled Campagna's tax case.

The attorney said he paid the tax from money brought into his office by eight or nine different persons whom he did not know.

These persons came in and merely said, "Pay this for Louie," Bernstein explained.

"Did you not question any of these people?" asked Rep. Fred E. Busbey (R., Ill.).

"Of these people, I don't ask questions," Bernstein



While parolee Charles (Cherry Nose?) Gioe looks blandly at camera, attorneys William Scott Stewart (left) and T. E. Rein hold whispered conversation.

ENCLOSURE
58-Misc-14
FBI
32 DEC 3 1947
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Wall Sensational Parole Files

Sensational letters and reports concerning the rapid-fire parole of four Capone-Guzik syndicate chiefs from federal prisons promise to come to light from the seclusion of official government files within the next fortnight.

This was learned today as members of a congressional committee inquiring into the freeing of the four gangsters returned to Washington to launch new phases of their investigation.

KEPT SECRET

So startling were the letters and record that Daniel Lyons, head of the federal parole board, refused to permit Rep. Hoffman (R), of Michigan, chairman of the congressional investigating committee, to make them public until they had been subpenaed officially and placed on the committee records.

That, Hoffman said before leaving Chicago for his Michigan home, en route to Washington, would be accomplished within 10 days.

VITAL FACTS

They concern, it was learned, vital facts in connection with the release from federal prison of Paul (The Waiter) Ricca), alias de Lucia, reputed brains of the mob; Louis (Little New York) Campagna, Philip D'Andrea and Charles (Cherry Nose) Gioe.

They had served only one-third of their 10-year sentences for a $1,000,000 movie industry extortion.

These letters and records appeared in Chicago by mischance. When Lyons came to Chicago last Friday he brought them with him.

A committee investigator had served Lyons with a subpena, but had not subpenaed the records.

In an executive session Lyons showed the letters and records to Hoffman and other committee members. But because they were not "on the record" of the committee, he refused to give the committee permission to make them public.

PREPARE SUBPOENAS

That matter will be taken care of this week, Hoffman directed committee investigators to prepare a subpoena for the records, to be produced when the committee resumes its investigation in Washington.

Hoffman also ordered investigators to go to the federal prisons at Atlanta, Ga., and Leavenworth, Kan., to obtain records of visitors who called on the four mobsters while they were doing "good time Charlie" service in the pens.

Under federal prison regulations, only lawyers and members of the families or close relatives of prisoners are admitted as visitors. But the committee already has obtained evidence that Tony Accardo, one of the better known Capone-Guzik henchmen, visited Ricca at Leavenworth.

And Accardo is neither a lawyer or a known relative of "The Waiter."

The investigators also were directed to obtain all available records and information concerning the transfer of four syndicate hoodlums from Atlanta prison to Leavenworth, a move which caused an Atlanta prison official to declare that "some money" was passed in that deal.

EXPECT FBI REPORT

The Federal Bureau of Investigation is expected to have reports for the committee, when it resumes its Washington sessions—who visited the prisoners, and when.

This includes inquiries on whether Jack Guzik, reputed successor to Al Capone as head man of the vast gangland gambling syndicate, visited his lieutenants in the federal prisons, and how much of their activities they directed while serving their shortened time.

The committee also is delving in connection with the easy-to-get-out prisoners:

1—Activities of Paul Dillon, St. Louis attorney, twice a campaign manager for President Truman in St. Louis, who admitted before the committee that he was instrumental in having the prisoners transferred from Atlanta to Leavenworth. He also said their paroles were granted speedily after he had sought them, and that he was a close friend of T. Webber Wilson, former parole board chairman who resigned two weeks after the paroles.

2—Sources of the $128,000 cash funds that were "dropped" on the desk of Attorney Eugene Bernstein, 24th Ward Democratic chieftain, by "persons unknown", to settle federal income tax liens against Campagna and Ricca.

The $468,877 income tax claim against Campagna was settled for $89,000, and the $180,000 assessment against Ricca for $39,000.

3—What James V. Bennett, director of federal prisons; Wilson, the quickly resigning parole board chief; and wardens of both Atlanta and Leavenworth prison might know of the big-time paroles.

All were subpenaed to appear at the Washington hearings.

All this, Hoffman said, with the testimony already given in Chicago, seems to indicate "a definite tie-up between the gang syndicate and some of the highest officials in Washington."

THE CHICAGO AMERICAN
Dept. 7, 9, 11, 9-47

ENCLOSURE
RECORDED 58-2000-1142
F B I
32 DEC 3 1947
ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 5-23-96 BY SP2 SEC alw

Identify parole adviser to Gioe

Mystery over the identity of the parole adviser of Charles (Cherry Nose) Gioe, ex-Capone gangster, was cleared today.

The adviser is Lou Pelton, of the Seneca hotel, 200 E. Chestnut, described as the head of a bakery supplies company.

Daniel M. Lyons, U. S. parole board chairman, revealed that Pelton substituted for Harry Ash, state superintendent of crime prevention.

Pelton's name, however, does not appear in the records of Gioe's parole, Lyons said.

The chairman made his disclosures after the opening yesterday of a congressional subcommittee's investigation into the paroles of Gioe (pronounced Joy) and three other former Capone mobsters. The four were released from federal prisons after serving the minimum of 7 the 10-year sentences for a vast shakedown of the movie industry.

Disclaims adviser role

The name of Ash had been included in the list of sponsors of the parolees. He testified, however, that he never accepted appointment as Gioe's adviser.

Ash said his name got into the federal files when he permitted it to be submitted as adviser.

Later, he said, the Chicago federal parole officer told him Gioe was to be released. "I told him," Ash explained, "I never had been officially notified that I was to be adviser, and that I would not act as adviser unless I received written authority from the federal government.

"I never have served as parole adviser to Gioe."

The income tax bill of Louie (Little New York) Campagna, one of the four whose paroles is being probed, and the settlement made on the tax were subjects of sharp questioning.

Campagna, however, admitted little more than that he believed in Santa Claus under the lengthy questioning of Reps. Melvin Snyder (R., W. Va.), Porter Hardy (D., Va.) and Clare Hoffman (R., Mich.).

Snyder asked if there hadn't been a government tax lien of $468,877 against Campagna for income taxes from 1937 to 1941.

So they claim," Campagna replied.

Q. How much did you pay the government or how much did you settle for?

A. I never knew how much I owed the government or how much I settled for.

Believes in Santa

Q. Our understanding is that you owed $468,000. How were you able to pay that off?

A. Oh, we had income from our farm and my wife's business.

Pressed further about the source of the income, Campagna said he didn't know about it, didn't even know the name of his attorney at his parole hearing.

Did you have any rich relatives that paid it (the tax)?" Hoffman asked. "No," said Campagna.

Q. Maybe you believe in Santa Claus?

A. Yes.

Hoffman then told Campagna to find out from his wife how much income tax was paid and where the money to pay it was obtained.

Here Atty. Joseph Bernstein announced that he had handled Campagna's tax case.

The government claimed Campagna owed $247,503.95 for the years 1935-41, according to Bernstein.

The attorney said he paid the tax from money brought into his office by eight or nine different persons whom he did not know.

These persons came in and merely said, "Pay this for Louie," Bernstein explained.

Did you not question any of these people?" asked Rep. Fred E. Busbey (R., Ill.).

Of these people, I don't ask questions," Bernstein replied.

Bernstein said he also settled for $39,000 the tax case of Paul De Lucia when De Lucia was in prison. He denied the debt was $485,000 as Snyder suggested in his questioning.

Philip D'Andrea, another of the paroled men, testified briefly how he arranged to hire Atty. E. M. Stern of Fargo, N. D., to work for his release from prison.

In the course of his questioning he asserted that he "never received a penny from extortion."

Hoffman said the sub-committees expected to finish its hearings today in the U. S. courthouse.

Picture on page 39

CHICAGO DAILY TIMES
Dec 26 1947

ENCLOSURE
RECORDED 1-5X-2000-1432
E B I
32 DEC 31 1947
ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/23/91 BY SP5 CAL/AW

HUGE CAMPAGNA TAX LIEN IS PAID BY $78,000 'GIFT'

Original Federal Claim Was for $468,877

(Continued from preceding page)

cessful in both. The following questions and answers then were recorded:

Q.—Whom did you see about this parole? A.—After I consulted with Anthony [D'Andrea's brother] I told him I was coming to Chicago on business shortly and would see him in the office of Sam Shapiro. He did so, he said, and entered into an agreement with Shapiro I

Attorney Sees "Right People"

Q.—What was the agreement? A.—I was to receive $3,500 as a re[illegible] expenses, and $3,500 more if the parole were granted. That has all been paid.

Q.—Did you furnish an application? A.—The application was made by the prisoner. I did a lot of research so that it could be presented intelligently.

Q.—That consisted in seeing the right people? A.—Yes. You can't do any good seeing the wrong ones.

Q. [By Hoffman]—And some were righter than others, if there is such a word? A.—That is a matter of opinion.

Disclaims Call on Dillon

Stern said that he saw Judge Bright and several members of the parole board, but did not talk with any one else in Washington. Asked whether he "ever" saw Dillon" [Paul Dillon, friend of President Truman and former campaign manager for him when Truman ran for the senate], Stern said he did not know Dillon and did not see him.

None of those questioned yesterday claimed any relationship with Dillon, St. Louis attorney whose influence was used with the parole board in behalf of the four hoodlums, a fact which was not known until after THE TRIBUNE carried a story to the effect that Dillon refused to be interviewed on the paroles.

Lyons admitted that Dillon's name was "added" to the list of those who appeared before the board only after he, Lyons, had learned that while Dillon had appeared, his name was omitted from the list.

Impeachment Is Suggested

In the morning hearing, after Lyons was questioned at some length by Rep. Church, the latter exclaimed:

"You are one of those who should be impeached!"

Among other morning witnesses was Harry Ash, head of state crime prevention, who had been mentioned as parole supervisor for Gioe. Before he was questioned, attorneys for the four hoodlums challenged the right of the congressmen to investigate the paroles, but were promptly overruled by Hoffman, who then asked Ash to explain his connection with Gioe.

"In May, 1917," Ash said, "I received a letter from a parole authority at Leavenworth, Kas. It said [illegible] Charles Gioe had requested [illegible] I act as his parole adviser. I was asked if I would act, and to fill out a form."

Gioe Long Known to Ash

Ash said he had known Gioe since 1915, and was also asked to serve as his parole adviser by "Korshak, I understood he had served as a lawyer for Gioe in civil matters." [This apparently refers to Sidney R. Korshak.]

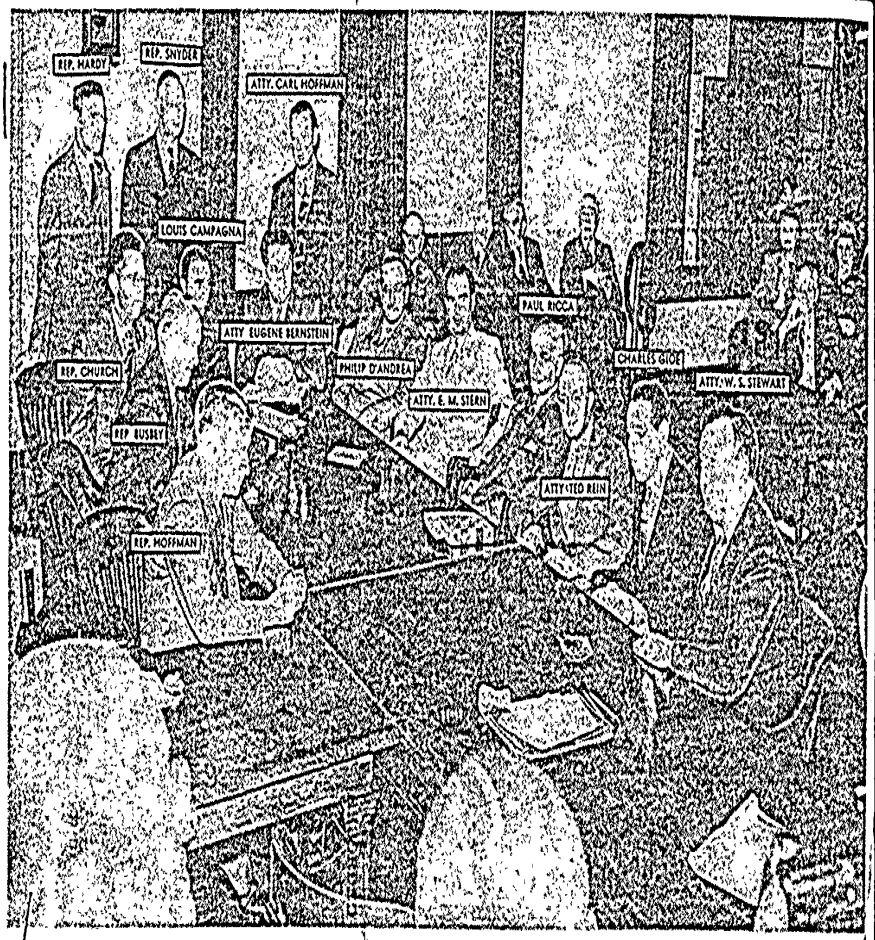
Ash said that was the last he heard of the matter until his telephone rang Aug. 12 and he was told that Gioe was to be released and he was the parole adviser.

"I said that if I was the parole adviser, Gioe faced seven long hard years and would have to be a law abiding citizen," Ash concluded.

The hearing, held in the federal courthouse, drew a large crowd of spectators yesterday, most of whom abandoned their chairs during the late afternoon and crowded close around the long table for a better view, disregarding the efforts of a deputy marshal to force them back. The hearing was adjourned at 5 p. m. Hoffman said he thought the committee would conclude its work here today.

CHICAGO DAILY TRIBUNE
Sept 26, 1947

2/23/48 Speculation



(TRIBUNE Photo)

Opening of congressional hearing in federal building yesterday on paroles granted to Campagna, D'Andrea, Ricca, and Gioe, Chicago gangsters. Seated with parolees are their attorneys. Hoffman heads committee, and Hardy and Snyder are members. *(Story on page 1)*

Sept 26 1947

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[TRIBUNE Photo]

Daniel M. Lyons, chairman of the federal parole board, as he testified yesterday in the congressional inquiry into the granting of paroles to Chicago hoodlums.

(Story on page 1)

CHICAGO DAILY TRIBUNE

Sept 26, 1942

ENCLOSURE

RECORDED 58-2000-1422

F B I

32 DEC 3 1947

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/23/95 BY SP-4/ov

HUGE CAMPAGNA TAX LIEN IS PAID BY $78,000 'GIFT'

Original Federal Claim Was for $468,877

[Continued from first page]

modification of his previous attitude. [This in reference to an earlier letter.] He said that D'Andrea had a minor role.

SNYDER—Is it the usual policy of the parole board to grant a parole with adverse recommendations from the judge and prosecuting attorney?

LYONS—They do not allow judges and prosecutors to control their acts. They do not consider themselves bound.

Refuses to Produce Records

Asked for the records of the case, Lyons demurred on the ground that there might be something in the file that would interfere with the reformation of the parolee [D'Andrea], he said.

Lyons also said he had been told that J. Edgar Hoover [FBI chief] planned to continue his investigation of the case and that public disclosure of all the records might hamper this investigation. He said the files were maintained jointly with the bureau of prisons.

Replying to Hoffman, Lyons said that D'Andrea's was the first in the series of four paroles. He said that the record showed that D'Andrea had been convicted in the movie extortion case, that his record showed a previous conviction and sentence of six months for contempt of a Chicago federal court in Oct. 1931, and that he had been arrested on general principles by Chicago police in Nov. 1932.

Classes Parole as "Regular"

Lyons then read from a memo prepared by a United States attorney that D'Andrea was a subordinate in a Chicago gang known as the "syndicate" which had succeeded to the power of Al Capone. The memo said D'Andrea had received $50,000 for his share of the extortion money.

As far as he is concerned, Lyons said, in answer to questions, he planned to do nothing about the paroles until there is evidence of parole violation. He said the paroles had been granted when he became chairman, was regular and legal.

The witness admitted that the parole board makes its own rules, but said he saw no legal reason to set the paroles aside unless there was evidence of fraud.

Unable to Study Statistics

"Notwithstanding the record of five years criminal activity as a member of this criminal gang you still think it is not your duty to make any change in this situation unless there is a parole violation?" Hoffman asked.

Lyons said his position, unless evidence of fraud in the parole was brought out.

Hoffman pointed out that D'Andrea had carried a gun into Judge Wilkerson's Chicago federal court at the trial of Al Capone.

"Nothing to Show Favoritism"

Rep. Snyder inquired about the parole of the four Capone gangsters as compared with the general rule for parole followed by the parole board. Lyons said he could not answer the question that he had not had time to study statistics because he had given all his time as parole board head to the present case.

"Wouldn't that be the first thing you would look into—whether this was treated like any other case?" Snyder asked.

"There was nothing to show that there was favoritism in this case," Lyons said.

Hoffman asked if the sponsors and backers of the parolee would affect the parole.

"That wouldn't make any difference," Lyons replied.

"O, that," said Lyons. "Yes, that would make a difference."

"How can you say there was no favoritism in this case when you say you do not know what records in the other cases show?" Hoffman asked.

"I still say there was no evidence of favoritism," Lyons answered. "The board acted regularly."

Campagna's Memory Limps

D'Andrea, former bodyguard for Alfonso (Scarface Al) Capone, was summoned briefly to testify regarding certain items of his police record, after which Campagna was summoned to the stand.

Campagna, black haired but with a growing bald spot, has a pleasant, almost small boy smile that disagrees oddly with his broad shoulders. He was possessed of a convenient lack of memory when questioned on such topics as the number and occasions of his arrest or such details as who paid his delinquent income tax.

Here is part of his examination:

Q—That [the delinquency] was for the years 1937 to 1941? A—That's what they claim.

Q—I am asking you. A—No.

Q—You finally settled? A—I did.

Payment "Surprises" Campagna

Q—How much did you pay? A—I don't know.

Q—You don't recall? A—No, I don't.

Q—Who paid it? A—I don't know.

Q—Do you know how much they paid? A—No.

Q—Who told you it was paid? A—I got a notice of it.

Q—You have some rich relatives? A—No.

Q—Did your wife have the money? A—No.

Q—Whom did you tell to pay the money? A—I didn't tell anybody.

Q—Whom did you hear from that it was paid? A—My attorney.

Q—Were you surprised? A—Well, yes.

Q—You hadn't told your attorney to pay it? A—No.

Believes in Santa Claus

Q—And no one else? A—No.

Q—Who was connected with you in this movie extortion business that would be interested in seeing you pay off this lien? No answer.

Q. [By Hoffman]—Do you believe in Santa Claus? A—Yes.

After further and fruitless questioning along the same line, Campagna was asked:

"Aren't you curious to know who paid this for you?"

He said he was indeed, but hadn't been back in town long enough to make inquiries.

Attorney Reveals Donations

Then Bernstein, who is 24th ward Democratic leader and an amateur magician, was questioned as follows:

Q—Who furnished the money? A—The money was brought to my office by eight or nine different persons. I don't know who they were. It is not uncommon for persons bringing money to my office to be paid to the collector of internal revenue.

Q—Didn't they tell you who they were? A—No. Sometimes they would bring a letter saying to pay these taxes in cash.

Q—How do you get in touch with these fellows? A—If you had tried as many cases as I have you would understand.

Simple Financial System

Q—Well, where did this money come from—this is just between us now. A—All I know is that the amount of money was indicated on the letter. It was brought to my office. Some of them said: "Pay this for Louis," or "Pay this for Paul."

D'Andrea was called again. He testified that he first asked his wife, now dead, and his brother, Anthony, concerning a parole; then a relative, Atty. Samuel Shapiro, was consulted. Thru Shapiro, he said, Atty. Emanuel Stern of Fargo, N. D., was hired. Only once during his 10 minutes or so on the stand did D'Andrea raise his colorless voice above a monotone, and even then his face remained expressionless.

This was when he was asked concerning the amount of money he had received from extortion.

D'Andrea Denies Extortion

"I never received a penny from extortion," he asserted, adding that because of some legal mixup, which he indicated he deplored, he was unable to take the stand in his own defense in the New York extortion trial.

[Atty. Stern was then sworn, said he had been acquainted with Shapiro in a first conn[illegible] member of D[illegible] had had

Parolees

(Story starts on page 1)

Candid portraits of the four Chicago hoodlums attending congressional inquiry into their paroles from federal prison.

PHILIP D'ANDREA

PAUL RICCA

LOUIS CAMPAGNA

CHARLES GIOE

TWO PAROLEES QUESTIONED IN FEDERAL PROBE

$468,877 Lien Cut to $78,000

BY JAMES DOHERTY

(Pictures on page 16 and back page)

The story of $78,000 contributed by persons allegedly unknown both to Louis [Little New York] Campagna and his lawyer, Eugene Bernstein, to settle in full the federal government's $468,877 income tax claim against Campagna, stole the show yesterday in a congressional investigation into the recent parole of four Capone hoodlums.

Despite efforts of Rep. Clare Hoffman [R., Mich.] and the other members of the house appropriations subcommittee to pin either Campagna or Bernstein down as to the source of the money, Campagna insisted that he did not know who had paid it. "I have been intending to ask," he remarked blandly. Bernstein said that "eight or nine persons," whom he did not know, kept popping into his office, laying bundles of cash on his desk, remarking, "This is for Louie," and popping out again without leaving their names.

Receipts Without Names

Asked by Hoffman whether he didn't give receipts for the money, Bernstein said he did, but added that the receipts had no names on them, "since these were the sort of people you don't ask questions."

This verbal battle among Campagna, Bernstein, and the congressmen, who also included Fred E. Busbey [R., Ill.], Porter Hardy [D., Va.], and Melvin Snyder [R., W. Va.], committee members, and Ralph Church [R., Ill.] and William L. Dawson [D., Ill.] sitting with the group, was the day's highlight of the inquiry's opening session.

However, the question under consideration, how Campagna, Paul [The Waiter] Ricca, Charles [Cherry Nose] Gioe, and Philip D'Andrea won federal paroles after serving only a third of their terms for extortion from the motion picture industry remained as much of a mystery when the hearing adjourned for the day as when it opened.

Yesterday's exhibition was followed by a strenuous and successful effort on the part of Parole Board Chairman Daniel Lyons to keep the contents of the parole board's files from becoming public. In an executive session of the committee last night Lyons refused to turn the records over to the congressmen.

The parole chief was acting as the special agent of Atty. Gen. Tom C. Clark, who gave the order to suppress all data on the parole scandal two weeks ago. The congressmen accused Lyons of "covering up," but they eventually acceded to his request that he be allowed to keep the papers secret "for the present."

Lyons' attitude at the day's session had been termed defiant, and one congressman told him he ought to be impeached.

Lyons Under Long Quiz

Lengthy interrogation of Lyons, appointed Sept. 15 as head of the federal parole board, a month after the four hoodlums were released, produced little information other than that in Lyons' opinion the board probably was influenced by the fact William Bioff and George Brown, both of whom turned state's evidence in the extortion trial, had been released on parole a short time previously.

Lyons, reading numerous excerpts from the many records he brought with him, included one from Judge John Bright, trial judge in the extortion case, which said in part:

"It is difficult for me to make any recommendation. When I sentenced him [D'Andrea] and his co-conspirators, I felt that their full sentences should be completed because of their connection with labor unions and efforts on the part of these defendants to muscle in. D'Andrea was merely a beneficiary of the conspiracy, and not an active participant. I cannot very well write any more and I trust you will pardon me for writing at such length."

Lyons Pressed for Answer

Then followed this exchange:

SNYDER—You don't consider that an approval of parole?

LYONS—Did I say I did?

SNYDER—I am asking you.

LYONS—No, I do not consider it a recommendation. I consider it a

(Continued on page 16, column 2)

CHICAGO DAILY TRIBUNE
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QUIZ TRUMAN'S AID ON PAROLE OF 4 GANGSTERS

Probers Expose Demand for Speed on Action

[Continued from first page]

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"A man named Brady, a member of the legislature and a friend of mine, said when I went to Washington he wished I would see if I could get these men transferred from Atlanta to Leavenworth," Dillon testified.

Relates Visit to Truman

Brady had told him, Dillon related, that he [Brady] had visited Campagna's home and that Mrs. Campagna had complained about the long distance she had to travel to visit her husband in Atlanta.

On an earlier visit to Washington, Dillon and his late wife visited the White House, Dillon said. He related they called on the President because they "were friends."

Hoffman asked, "How did you happen to meet Truman, who was in Kansas City, while you were 240 miles away in St. Louis?"

"I represented Tom Pendergast [late Democratic boss] in some matters."

Pendergast Solicited Aid

"He was convicted—" Hoffman interrupted.

"Yes," Dillon said. "Tom asked me if I would take charge of Truman's campaign in St. Louis. That was in 1932 or 1934."

After Dillon's testimony, the subcommittee adjourned to meet in Washington at an undetermined date.

Witnesses Tell of Pressure

Questioned by Representatives Hoffman and Snyder, Charles W. Fisher, chief United States probation agent in this district, and Joseph Colosimo, an employe in his office, testified that "pressure" was brought to facilitate the parole procedure.

It was disclosed that Louis J. Pelton was suggested as Gloe's parole adviser after Harry Ash of the Illinois crime prevention board had withdrawn as a possible choice. The witnesses admitted their examination of Pelton's background was superficial and added they had been asked to expedite the matter.

Q. [By Snyder]—Who asked you to expedite this matter? A. [by Colosimo]—D. L. Yeagley, the parole officer at Leavenworth penitentiary.

Speedy Action Requested

Hoffman asked Fisher about this expediting procedure and Fisher replied: "He asked if we would expedite it, and if we were willing to O. K. it by wire instead of awaiting the usual procedure. We told him that if the man [Pelton] checked O. K., we would give our approval by wire."

Fisher said Yeagley seemed anxious when he made a long distance telephone call to Chicago asking the office here to wind up the matter so Gloe could be returned to Chicago.

If Yeagley could not be reached on the telephone at the Leavenworth prison, but the warden, W. A. Hunter, told a Chicago Tribune reporter that he would speak for the parole officer.

Warden Explains "Expedition"

Hunter denied that there was anything unusual about asking Fisher, the parole officer here, to wire or telephone his investigation of Pelton, instead of forwarding the information thru the mails, the usual method. Hunter said:

"The parole date for Gloe was fixed for Aug. 13, and we try to get the prisoner released on the date set by the parole authorities. In this case, there was a last minute change of advisers, and in order that the plans for his release be completed before Aug. 13, the parole officer in Chicago was asked to send the information by wire or telephone. It was not just a case of expediting his release."

Hunter said that neither he nor the parole officer at the prison had been asked as yet to appear before the investigating committee. Hunter said he has served at federal penal institutions for the last 15 years, and has been warden at Leavenworth for the last five years. He said Kansas is home state.

Attorney Draws Rebuke

Colosimo admitted to Rep. Hoffman he had not talked to Pelton about Gloe's previous crime record and added: "This was an unusual [illegible] were not taken to correct deficiencies in the report on Pelton, replied, "In this particular case there was pressure being brought by the parole officer at the institution [Leavenworth penitentiary] to expedite the matter."

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Fisher added that "in 99 per cent of the cases we would make a more thoro investigation than in these cases, but we had a very limited time to get the report to the institution."

"Somewhere along the line there was a determined effort for speed," Rep. Snyder commented.

Q. [By Busbey]—Does this need of speed indicate these were lesser convicts than involved in other cases? A. [By Fisher]—Far from it.

Quiz of Lyons Resumed

The second day's hearing was moved to a sixth floor jury room and the cramped quarters, bristling with photografers and their equipment, also radio men and equipment, caused many persons to be turned away. Daniel M. Lyons, head of the federal parole board board, resumed his testimony and was asked by Rep. Hoffman if he planned any further action on the parole of the four Capone hoodlums.

Lyons said what he had heard in the congressional investigation had convinced him there should be further investigation. He said he would revoke the paroles if he thought such a move legally justified.

Then Hoffman called Lyons' attention to a memo concerning Ricca and Campagna in the parole board files dated May 21, 1945.

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"Do you think that should be looked into?" asked Hoffman.

"It certainly would have aroused my curiosity," answered Lyons. "If I had been looking into the case at that time."

Lyons' Protest Ignored

Lyons called to the telephone to answer a Washington telephone summons, returned to protest that he had heard that in his absence the press had been allowed to look at his files and photograf them. He said he wouldn't mind government agents photograing these files, but that he was upset about the press.

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My personal opinion

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"I don't know," Colosimo said. "I can't tell you the answer."

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PAUL DILLON ADMITS VISIT TO U.S. BOARD

Says He Expects Pay for Work

Paul Dillon, St. Louis attorney who represented four Chicago hoodlums before the federal parole board yesterday denied before a congressional investigating committee that he had used his weight as a personal friend of President Truman to help win paroles for four hoodlums who were freed Aug. 14 after serving only a fraction of their federal sentences.

Dillon, 70, who served as St. Louis campaign manager in one of Truman's contests for the senate, said he went to Washington only once on behalf of the former Capone gangsters convicted of extorting 1 million dollars from the motion picture industry.

He denied he had visited Robert Hannegan, postmaster general and chairman of the Democratic national committee, or other influential members of the national Democratic administration.

Denies Visit to Hannegan

"I haven't seen Hannegan for two years," Dillon said, "and I didn't speak to a single soul except the parole board regarding this matter."

Under investigation are the paroles of Louis [Little New York] Campagna, Paul [the Waiter] Ricca, Charles [Cherry Nose] Gioe, and Philip D'Andrea. They were released after serving only three years and four months of 10 year sentences.

Representatives Clare Hoffman [R., Mich.], Fred E. Busbey [R., Ill.], Porter Hardy [D., Va.], and Melvin Snyder [R., W. Va.] are members of the investigating committee. Sitting with the group are Rep. Ralph Church [R., Ill.] and Rep. William L. Dawson [D., Ill.].

Contradicts Earlier Testimony

Dillon testified he spoke to T. Webben Wilson, then head of the parole board who later resigned, and Fred S. Rogers, a member of the board. He denied he had prefaced his visit to the board with the information that he had been a campaign manager for Truman. Evidence was submitted earlier in yesterday's hearing that Dillon had made such a statement to an employe of the board.

"What was your fee for handling the parole matter?" Dillon was asked.

"I never got a nickel," he replied.

Expects to Be Paid

Dillon added that he expects to be paid for his work in the case.

"To whom are you going to send your bill?" he was asked.

"To Bernstein," he replied.

Eugene Bernstein, a Democratic power in Chicago's 24th ward, is attorney for Campagna, one of the parolees. Bernstein later said Dillon would be paid when his bill is received.

Testifies in Sheriff's Behalf

Dillon testified that to the best of his knowledge, Sheriff John F. Dougherty of St. Louis county, Mo., who recently was convicted on a charge of leaving the scene of an accident, had not been in Washington since he became sheriff and did nothing about the parole matter.

The witness denied also that any official of the Continental Illinois National Bank & Trust company

[Continued on page 4, column 1]

CHICAGO TRIBUNE
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ICAGO DAILY TRIBUNE
S Saturday, Sept. 27, 1947

IL OF TRUMAN

ARES HIS WORK

GANG PAROLE

aded for Hoodlums to Federal Board

Continued from first page]

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Unholy Speed" Disclosed

Snyder brought to light what ermed the "unholy speed" hich the paroles were granted Dillon appeared in the Wash- office of the federal parole where he was known as dent Truman's campaign man-

n said he talked to two pa- board members on Aug. 5 or 6. r testimony was that two days he parole officer at the Leav- th prison telephoned the pa- fice in Chicago asking that the plan be expedited so the ls could be freed on Aug. 13. as Rep. Hoffman who brought Dillon the admission that in had asked the transfer of hicago gangsters to Leaven- from Atlanta, and this request uickly granted.

man Pal Success in Line

Snyder summed up Atty. Dil accomplishments:

k asked for a pardon for [the friend was Frank Boehm Louis] and you got it; you to have these men trans from one prison to another. was done; you asked for aroles and it was done quick u got everything you asked, you?"

n admitted he had.

speed with which Dillon got was told by Charles W. chief, United States proba- ficer in Chicago, and his dep- Colosimo, a political ap. They said they were asked L. Yeagley, parole officer at avenworth prison, to "expe- e paroles."

ney Charges to Be Sifted

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[Warden Sanford was told by a Tribune reporter over long distance telephone about the testimony. He said he did not wish to comment without permission of the board of prisons in Washington. He said, however, that the prisoners were transferred to Leavenworth prison about Aug. 15, 1945, three weeks after the letter had been sent to his superiors.]

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Atty. Eben said that he took no active part in connection with the paroles for the hoodlums. He said that he was visiting two prisoners convicted of mail fraud in Cincinnati, O., whom he had represented and asked the warden for permission to talk to the Capone gangsters because he had represented them in their trial in New York. "I talked with Gloe for about five minutes, at nothing was said about transfers, from the prison or paroles," Eben said. "I have not had any contact with any of them since that time."]

Campagna's Wife Testifies

Mrs. Charlotte Campagna, wife of Louis Campagna, was called and testified she had asked those identified as asking parole for Campagna to write letters in his behalf.

The money to settle his income tax lien, she said, came from friends and amounted to $90,000, to $90,000. She talked to Atty. Bernstein about the tax payments, she said, but did not know the identity of the contributing friends. She got the phone calls, she said, but no one told her name. Later Bernstein told her the tax was paid.

Acquainted with Guzik

"What was your husband's business?" asked Hoffman.

"I don't know," she answered. "I never asked him questions."

She was asked to name her husband's friends. Hoffman read a list of names and asked if she knew them. The first was Jack Guzik.

"I knew him," she said. "I don't know whether he was a friend of my husband."

As other gangsters were named, she said she had met Levin on the street and in restaurants but not socially; she knew Ralph Pierce, but didn't know Sam [Golf Bag] Hunt. Then she was asked about Capezio, notorious Capone lieutenant.

His wife happens to be a partner of mine in the flower shop," she replied.

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Q. [By Busbey]—Does this lack of speed indicate these were more convicts than involved in other cases? A. [By Fisher]—Far from it.

Dillon Voluntary Witness

Dillon appeared voluntarily as a witness and said he would not contest the authority of the committee. He wanted to testify, because his name had been made public when asserted. His questioning follows:

Q. [by Hoffman]—Do you have a specialty in the practice of law? A.—No, just general practice.

Q.—Do you know John Dougherty? A.—Yes, he is sheriff of St. Louis. He has nothing to do with this at all.

Q.—Did he go to Washington in connection with this matter? A.—He has not been in Washington since he has been sheriff.

One Visit to Washington

Q.—How many times have you been there in connection with this parole matter? A.—Once.

Q.—What took place? A.—With respect to what?

Q.—The parole. A.—I called on the parole board, Judge Wilson, and Judge Rogers.

Q.—No one else? A.—No.

Q.—Did you make any social visits? A.—No one of prominence.

Q.—Well, any? A.—Yes, I saw some lawyers.

Q.—Did you see Robert Hannegan? A.—I haven't seen him in years.

Q.—Were you in Washington on May 1, 1945? A.—I can't recall the date, but I went to see Bennett [head of the bureau of prisons] to ask that these men be removed from Atlanta to Leavenworth, and they sent me to Loveland.

Helped Truman Become Senator

Q.—Did you tell him you were a former campaign manager for President Truman? A.—We discussed some politics—

Q.—No, that is not my question. A.—It is not easy to tell a conversation two years ago.

Q.—Did you tell him in substance that you were Truman's former campaign manager? A.—I did because that is not the fact.

Q.—Did you have anything to do with Truman's campaign when he ran for the senate. A.—I did.

Q.—You were his campaign manager? A.—No, I had charge of his campaign in the city of St. Louis.

Q.—Did you also say on May 1, 1945, that you had been requested by an official of the Continental bank of Chicago to see what could be done? A.—I certainly did not.

Q.—Nothing of that kind? A.—I don't even know the name of any bank in Chicago.

Q.—But you know there are banks here? A.—Yes.

Q.—You told Mr. Loveland you had no personal interest in it? A.—I did.

Responds to Plea by B

Q.—But that you would ask it if the transfer were made was proper? A.—Yes. Edward Brady, a member of the legislature and a close friend of mine for years, asked me when I went to Washington to go into the department of prisons and see if I could get these fellows transferred. He was visiting at the Campagna home and Mrs. Campagna complained about having to make trips all the way to Atlanta. I told him I would do it.

Q.—Loveland states you were aware that a previous similar request had been made. A.—I didn't know that.

Q.—Then at least three points in [illegible] and letter are erroneous?

you visit the White House, your wife, were you entertained? A.—No. I went in on the President.

adship with President

You were friendly with the ent? A.—Yes.

Having been formerly ac- ed and residents of the same A.—No, he lived in Kansas I live in St. Louis.

How did you happen to meet I represented Mr. Prendergast some matters—

Q.—How many of those fellows that were convicted down there pardoned? A.—I don't know.

Q.—Go ahead. A.—Tom [Prendergast] asked me if I would take charge of the campaign in St. Louis. That is how I met Dougherty.

Q.—What campaign? A.—The campaign when Truman ran for the senate the first time, in 1932 or 1934.

Does Job for Boehm

Q.—Do you know Glen Boehm? A.—We got a sentence commuted for Boehm. He is now a consultant in Washington. The day I appeared before the board on this matter I asked him to drive me down there.

Q.—Did you ever consult the President about the parole of any of these men? A.—No.

Q.—But you consulted with Roosevelt? A.—I never met him.

Was only one contact. That was with reference to the paroles. Six months ago I was contacted by Mrs. Campagna. She asked me if she could come and see me. She came down and asked if I could do what I could. I told her I would not represent them as a lawyer, but that when in Washington I would drop in and see the parole board. The reason was that this man Browne [Geofge Browne, convicted extortioner] had a union, and John Nick, a friend of mine, was international vice president in St. Louis and I represented him and Browne proved as unreliable a man as I ever dealt with. When I found his testimony convicted these men, I said I wouldn't believe they were guilty.

Q.—[by Snyder]—You were in Washington about Aug. 6? A.—Somewhere around there.

Q.—And these men were paroled Aug. 11 or 12? A.—I don't know the exact date.

Fast Work on Paroles

Q. In other words, they were paroled five or six days later? A. I gather so.

Q. You made a trip to Washington about the time they were transferred from Atlanta to Leavenworth? A. Not at that time; before then.

Q. And afterward they were transferred? A. I have no idea when they were transferred. I don't remember the date. I suppose about the time of that memo by Loveland.

Q. In other words, your request was effective? A. They were transferred, whether on my request, I don't know.

Q. At that time you went there because Mrs. Campagna had spoken to your friend Brady and he spoke to you? A. I didn't go there for

[Continued on following page]

sters, and $39,000 to settle a $180,000 claim against Ricca.

It was when Atty. Dillon, pal of Postmaster General Robert E. Hannegan, who is chairman of the Democratic national committee, said he didn't know to whom to send a bill for his services in obtaining a parole for the four Chicago gangsters, that Rep. Hoffman, chairman of the committee, said:

"Send your bill to Bernstein."

"It will be paid, if you do," Bernstein said.

Dillon Protege of Pendergast

Atty. William Scott Stewart, long a defender of Chicago's criminals, had a. .d Rep. Hoffman to bring out the fact that Dillon, self-admitted protege of Tom Pendergast, then the political boss of Kansas City, Mo., who put Truman into public office, had not been paid for his services to the Chicago gangsters.

"Not a nickel," Dillon testified when Hoffman asked how much he was paid.

The congressmen hurried thru the testimony yesterday and adjourned the hearing until a later date in Washington—possibly next week. They said they want more data on prison records and parole facts, and to question the parole board members who set the gangsters free.

Dillon's testimony of his success with the parole plea caused Rep. Hoffman to exclaim, "I think they came to the right place to get the paroles, all right."

"Unholy Speed" Disclosed

Rep. Snyder brought to light what was termed the "unholy speed" with which the paroles were granted after Dillon appeared in the Washington office of the federal parole board, where he was known as "President Truman's campaign manager."

Dillon said he talked to two parole board members on Aug. 5 or 6. Earlier testimony was that two days later the parole officer at the Leavenworth prison telephoned the parole office in Chicago asking that the "parole plan be expedited" so the convicts could be freed on Aug. 13.

It was Rep. Hoffman who brought from Dillon the admission that in 1945 he had asked the transfer of the Chicago gangsters to Leavenworth from Atlanta, and this request was quickly granted.

Truman Pal Success in Line

Rep. Snyder summed up Atty. Dillon's accomplishments:

"You asked for a pardon for a friend [the friend was Frank Boehm of St. Louis] and you got it; you asked to have these men transferred from one prison to another, and it was done; you asked for their paroles and it was done quickly; you got everything you asked, didn't you?"

Dillon admitted he had.

The speed with which Dillon got action was told by Charles W. Fisher, chief United States probation officer in Chicago, and his deputy, Joe Colosimo, a political appointee. They said they were asked by D. L. Yeagley, parole officer at the Leavenworth prison, to "expedite the paroles."

Money Charges to Be Sifted

Dillon wasn't asked about the report that "money was paid" for the transfer of the convicts from one prison to another—Chairman Hoffman said that charge would be sifted later.

Dillon said he didn't know Ricca, and Ricca said he didn't know Dillon and hadn't hired him. Ricca said, too, that he hadn't hired Bernstein, who settled his income tax troubles for him [Ricca] while he was in prison, the settlement being with the magic money that came anonymously to Bernstein.

The testimony was sprinkled with mention of Jack Guzik—boss of the gambling end of the Capone syndicate, of which Ricca is said to be the national chief, as well as Hymie Levin, Anthony [Tough Tony] Capezio, and other Chicago gangsters. All were friends of Ricca, he said. He denied that he had been Al Capone's bodyguard, but he "used to take bets from his pal Capone."

How Accardo, Visited Boss

The story of how Tony Accardo, alias Joe Batters, reputed boss of local Sicilians while Ricca was in prison, made visits to the boss in prison—with Bernstein—was told. It appeared that Accardo went in under a faked name, probably as Atty. Joseph L. Bulger.

Bulger, who formerly was mayor of Melrose Park, according to Bernstein was the man to whom Bernstein appealed for information about Ricca's income; then "along came Accardo," who was known to have operated a gambling joint at Clark and Lake sts. for many years.

Quiz of Lyons Resumed

The second day's hearing was moved to a sixth floor jury room and the cramped quarters, bristling with photografers and their equipment, also radio men and equipment, caused many persons to be turned away. Daniel M. Lyons, head of the federal parole board, resumed his testimony and was asked by Rep. Hoffman if he planned any further action on the parole of the four Capone hoodlums.

"Now the boys put more pep in their dummy tackling."

the congressional investigation had convinced him there should be further investigation. He said he would revoke the paroles if he thought such a move legally justified.

Then Hoffman called Lyons' attention to a memo concerning Ricca and Campagna in the parole board files dated May 21, 1945.

Bank Official Mentioned

Written by Frank Loveland, identified as a parole board employe, the memo said:

"Mr. Paul Dillon, an attorney from St. Louis who stated that he was former campaign manager for President Truman, was in the office today to see Mr. Bennett, but in his absence was referred to me. He stated that he had been requested by an official of the Continental bank of Chicago to see what he could do to have the above named prisoners transferred from Atlanta to Leavenworth, where they would be nearer their homes in Chicago. He stated that he had no personal interest in the matter and was not trying to bring any pressure, but that he would appreciate transfer being made if it were proper. I told him that the matter had been given consideration only recently and that under ordinary circumstances it could be accomplished, but that there are inmates at Leavenworth who are unfriendly with these two inmates and that there might be serious trouble if these two were placed in Leavenworth."

Warden Charges Use of Money

Hoffman then turned to a letter written by Warden Joseph W. Sanford of Atlanta prison to the parole board July 21, 1945.

"From information received," said Sanford, "it is quite evident that money is being paid to obtain the transfer of these men [Ricca, Campagna, and D'Andrea] to Leavenworth and I do not believe they should be transferred at this time for this reason. . . . Also, I do not believe they should, if approved for transfer, be transferred by rail under any circumstances."

(Warden Sanford was told by a Tribune reporter over long distance telephone about the testimony. He said he did not wish to comment without permission of the board of prisons in Washington. He said, however, that the prisoners were transferred to Leavenworth prison about Aug. 15, 1945, three weeks after the letter had been sent to his superiors.)

A penciled notation on the letter read: "Talked to Warden Sanford—has no indication that money has been paid—just said that two attorneys have been very active in their cases: Mr. [William] Scott Stewart and A. Dradley Eben."

"Do you think that should be looked into?" asked Hoffman.

"It certainly would have aroused my curiosity," answered Lyons, "if I had been looking into the case at that time."

[Atty. Eben said that he took no active part in connection with the paroles for the hoodlums. He said that he was visiting two prisoners convicted of mail fraud in Cincinnati, O., whom he had represented and asked the warden for permission to talk to the Capone gangsters because he had represented them in their trial in New York. "I talked with Gloe for about five minutes, at nothing was said about transfers from the prison or paroles," Eben said. "I have not had any contact with any of them since that time."]

Campagna's Wife Testifies

Mrs. Charlotte Campagna, wife of Louis Campagna, was called and testified she had asked those identified as asking parole for Campagna to write letters in his behalf.

The money to settle his income tax lien, she said, came from friends and amounted to $80,000 to $90,000. She talked to Atty. Bernstein about the tax payments, she said, but did not know the identity of the contributing friends. She got the phone calls, she said, but no one told her name. Later Bernstein told her the tax was paid.

Acquainted with Guzik

"What was your husband's business?" asked Hoffman.

"I don't know," she answered. "I never asked him questions."

She was asked to name her husband's friends; Hoffman read a list of names and asked if she knew them. The first was Jack Guzik.

"I knew him," she said. "I don't know whether he was a friend of my husband."

As other gangsters were named, she said she had met Levin on the street and in restaurants but not socially; she knew Ralph Pierce, but didn't know Sam [Golf Bag] Hunt. Then she was asked about Capezio, notorious Capone lieutenant.

"His wife happens to be a partner of mine in the flower shop," she replied.

Witnesses Tell of Pressure

Questioned by Representatives Hoffman and Snyder, Fisher and his deputy, Colosimo, testified that "pressure" was brought to facilitate the parole procedure.

It was disclosed that Louis J. Pelton was suggested as Gloe's parole adviser after Harry Ash of the Illinois crime prevention board had withdrawn as a possible choice. The witnesses admitted their examination of Pelton's background was superficial and added they had been asked to expedite the matter.

Q. [by Snyder]—Who asked you to expedite this matter? A. [by Colosimo]—D. L. Yeagley, the parole officer at Leavenworth penitentiary.

Speedy Action Requested

Hoffman asked Fisher about this expediting procedure and Fisher replied: "He asked if we would expedite it and if we were willing to O. K. it by wire instead of awaiting the usual procedure. We told him that if the man [Pelton] checked O. K., we would give our approval by wire."

Fisher said Yeagley seemed anxious when he made a long distance telephone call to Chicago asking the office here to wind up the matter so Gloe could be returned to Chicago.

Yeagley could not be reached on the telephone at the Leavenworth prison.

Attorney Draws Rebuke

Colosimo admitted to Rep. Hoffman he had not talked to Pelton about Gloe's previous crime record and added, "This was an unusual case."

Hoffman replied, "That's what

tep. Snyder commented.

Q. [By Busbey]—Does this of speed indicate these were convicts than involved in cases? A. [By Fisher]—Far fr

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Q.—Well, any? A.—Yes, I saw some lawyers.

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Q.—Were you in Washington on May 1, 1945? A.—I can't recall the date, but I went to see Bennett [head of the bureau of prisons] to ask that these men be removed from Atlanta to Leavenworth, and they sent me to Loveland.

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Q.—No, that is not my question. A.—It is not easy to tell a conversation two years ago.

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Q.—Did you have anything to do with Truman's campaign when he ran for the senate. A.—I did.

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Q.—Nothing of that kind? A.—I don't even know the name of any bank in Chicago.

Q.—But you know there are banks here? A.—Yes.

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Q.—Do you know Glen Boehm? A.—We got a sentence commuted for Boehm. He is now a consultant in Washington. The day I appeared before the board on this matter I asked him to drive me down there.

Q.—Did you ever consult the President about the parole of any of these men? A.—No.

Q.—But you consulted with Roosevelt? A.—I never met him.

Q.—You were attorney for a John Lazia, who was head of a faction in Kansas City? A.—He was in Kansas City, taking an active interest in politics, and he was indicted, and Frank Walsh and myself defended h[illegible]

Q.—Later he was shot and killed.

A.—Yes.

Appeal from Mrs. Campagna

Q.—Who first contacted you with ence to these paroles? A.—There

was only one contact. T reference to the paroles. ago I was contacted by pagna. She asked me come and see me. She and asked if I could could. I told her I woul sent them as a lawye when in Washington I w and see the parole board. was that this man Brow Browne, convicted extort a union, and John Nick mine, was international dent in St. Louis and I h him and Browne proved a a man as I ever dealt wi I found his testimony these men, I said I would they were guilty.

Q.—[by Snyder] You Washington about Aug. Somewhere around there.

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Fast Work on Par

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[Continued on following

PAL OF TRUMAN BARES HIS WORK IN GANG PAROLE

Pleaded for Hoodlums to Federal Board

[Continued from preceding page]

that purpose. I was in Washington on business.

Q. Did the defendants other than Campagna know you were intervening in their behalf? A. What they knew I don't know.

Q. Did you ever see the other defendants or their attorneys? A. I never saw any of the defendants or talked with them in my life.

Q. Did you get a parole for Nick? A. Nick was paroled.

Q. Then you have appeared in two parole cases? A. Yes.

Q. [by Hoffman] And in two tries you get five men out of prison. That would bring business to your door if it got around.

Ricca Visited by Bernstein

Ricca's testimony included the following:

Q. [by Hoffman]—Who first consulted you about your income tax or parole? A.—My attorney, Mr. Bernstein, came to Atlanta two or three times.

Q.—And to Leavenworth? A.—Yes.

Q.—Who came with him to Leavenworth? A.—Accardo.

Q.—What is his profession? A.—Well, he was a friend of mine.

Q.—Did you tell Bernstein maybe Accardo could help? A.—All I know is when we went to Leavenworth he came over with him.

Q.—Do you know Gurik? A.—Yes.

Q.—How long? A.—About 25 years.

Thinks Gurik Is Wealthy

Q.—What business is he in? A.—He is a wealthy man.

Q.—You know his business? A.—Not any business in particular.

Q.—Did he inherit his wealth? A.—I don't know.

Q.—You go around with him some? A.—In the past, yes.

Q.—Make some bets now and then? A.—Not with him.

Q.—You know Hymie Levin? A.—Yes.

Q.—How long? A.—About three or four years.

Q.—What business is he in? A.—The handbook business, or something like that.

Q.—Where does he operate? A.—I don't know.

Q.—Is he wealthy, too? A.—I understand so.

Q.—Does Gurik operate a handbook too? A.—I don't know.

Recalls Fellow Defendant

Q.—You know Ralph Pierce? A.—He was one of the defendants [in the extortion trial].

Q.—How long have you known him? A.—About five or six years.

Q.—What business is he in? A.—I don't know.

Q.—Where did you meet him? A.—It was a long time ago.

Q.—You know Sam Hunt? A.—I know him five or six years.

Q.—What is his business? A.—I think Sam owns some horses.

Q.—You know Tough Tony Cerpedo? A.—About 30 years.

Q.—What is his business? A.—I don't know much about it.

Sticking to the Farm

Q.—Did you go out socially with him? A.—Not very much. Oh hand, I know him, but that is all.

Q.—Have you seen any of these people since you got out? A.—No, since I got out I been at the doctor's and on the farm.

Q.—Where is your farm? A.—In Kendall county.

Q.—You went under the alias of Ricca? A.—Yes.

Q.—When did you use that name? A.—On and on.

Q.—How long? A.—Quite a few years, 10 or 15.

Q.—Why? A.—Well, it makes it easier to pronounce. It's a short name.

Q.—Is that the only reason? A.—Yes.

Q.—What is your right name? A.—De Lucia.

Jest Friends of Gangsters

Q.—You knew Louis Campagna? A.—About the same time [25 years].

Q.—You remember being associated with him in getting into a labor union? A.—Bioff [Willie Bioff, extortioner] said so.

Q.—I asked do you remember.

Parole Hearing

(Story starts on page 1)

Paul Ricca, whose federal parole is being investigated, as he appeared at congressional committee hearing yesterday.

Charles W. Fisher, chief United States probation officer in the Chicago district, who told of pressure exerted on him for speed in facilitating the parole of Charles Gioe.

Mrs. Louis Campagna, wife of one of parolees, who told committee she did not know the source of cash gifts to her husband's attorney for payment of income tax lien. [TRUMAN Photos]

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Q.—I asked do you remember.

Q. What was your income at that time? A. My average was $50,000 or $100,000 a year.

Q. For how many years? A. Four or five.

Q. During all that time you were never arrested for gambling? A. No.

Q. You just let the suckers gamble? A. Well, the suckers gamble their way and I gamble my way.

Denies Biddle's Charge

Q. [by Busbey] Now, former Atty. Gen. Biddle referred to you as treasurer of the syndicate. Were you treasurer of the syndicate? A. No.

Q. Then that information that he gave to a house subcommittee on appropriations was erroneous? A. Yes.

Q.—Did you have an attorney in St. Louis by the name of Paul Dillon appear at the bureau of prisons in 1945 in your behalf? A.—I don't know anything about it.

Q.—When you were transferred from Atlanta to Leavenworth, did you know about it beforehand? A.—No, I was praying for that.

Q.—Your prayers were answered then? A.—Yes.

Disclaims Syndicate Job

Q.—[by Church] Where did you keep the syndicate money? A.—I don't know anything about that. I don't know what you mean by syndicate, and I don't know what you mean by treasurer.

Q.—You heard you had been called treasurer? A.—They tell me lots of things.

Q.—Did you pray for a parole too? A.—You bet your life, and I worked for it. When I went in they told me to keep my nose clean and it would improve my chance for parole.

Q.—On your parole application weren't you required to indicate if you had made restitution? A.—I didn't answer that question.

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UNE

with Nitti and Campagna Pictures.

We were just friends.

Q.—Did you have a home in Long Beach, Ind.—a $75,000 home? A.—Yes.

Q.—Where did you get the money? A.—Gambling.

Q.—Did you pay income tax on that? A.—Yes, I paid the tax.

Host to Gamblers

Q.—You entertained these other gentlemen there? A.—Some of them, you know, how it is in the summer time.

Q.—Would they come down to the house? A.—Well, you know how it is.

Q.—How many of them were engaged in gambling? A.—Quite a few.

Q.—Who? A.—Well, I don't know. I don't recall.

Q.—You were a bookmaker? A.—Sometimes I managed a book.

Q.—So the only thing you had over the years was gambling? A.—No, I had part of a theater. I had some stock.

Q.—You made your first stake in gambling? A.—Yes.

Average Income $50,000-$100,000

Q.—But later you invested in what is sometimes regarded as more legitimate business, business where you didn't have to pay anybody to operate? A.—I never paid anybody.

Q.—How do you figure to operate a handbook if you don't pay off? A.—I didn't have a place. I just walked around.

Q.—You keep books? A.—Oh, yes, I keep those kind of books.

Q.—How much other property did

TRUMAN EX-AID BARES SPEED IN BOARD ACTION

His Plea Granted in Six Days

BY JAMES DOHERTY

(Pictures on page 7 and back page)

Atty. Paul Dillon, Democratic political figure of St. Louis, Mo., twice St. Louis campaign manager for President Truman, and frequent visitor at the White House, told a congressional committee yesterday how he obtained the paroles of four Chicago public enemies sent to federal prison for a 1 million dollar extortion on the motion picture industry. The paroles were granted six days after Dillon had interceded for the convicts with two members of the federal parole board.

Dillon and Paul De Lucia, alias Ricca, alias Silvia, shared the attention of Representatives Clare Hoffman [R., Mich.], Porter Hardy [D., Va.], Melvin Snyder [R., W. Va.], and Fred E. Busbey [R., Ill.] and Ralph Gurch [R., Ill.], who held a hearing in the United States courthouse to find out why Ricca [the alias De Lucia prefers in Chicago] and three other members of the Capone gang were set free after serving only a third of their 10 year terms.

Active In Parole Field

Highlights of Dillon's testimony were:

1. In addition to getting paroles for Ricca, Louis Campagna, Philip D'Andrea, and Charles Gioe, he also obtained a parole for John P. Nick of St. Louis, vice president of the International Alliance of Theatrical and Stage Employes, who, like the others, was convicted of extorting money from the movie industry. Dillon said he hadn't been paid by the parolees.

2. Dillon arranged to have the four Chicago gangsters transferred from the Atlanta federal prison to the prison at Leavenworth, Kas., at the request of Edward M. [Putty Nose] Brady, Democratic member of the Missouri legislature, who frequently visited at the home of Mrs. Campagna, wife of the gangster then in prison.

3. Dillon admitted he was a close friend of T. Webber Wilson, chairman of the parole board who resigned two weeks after he signed the parole papers for the Chicago gangsters.

4. Dillon admitted consulting Wilson on the paroles Aug. 5 or 6. Other testimony disclosed that parole authorities in Leavenworth asked the Chicago parole office on Aug. 8 to "expedite" all arrangements to get the gangsters out of prison quickly.

5. Disclosure that Tony Accardo, Chicago Sicilian chief, visited Ricca in prison.

Bernstein Stars Again

Next to Dillon and Ricca, a stellar attraction yesterday was Atty. Eugene Bernstein, 24th ward Democratic precinct captain. Two vote fraud indictments against him disappeared into thin air, Bernstein, who

[Continued on page 6, column 1]

ENCLOSURE
RECORDED 62-2000-1142
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32 DEC 3 1947

CHICAGO DAILY TRIBUNE

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NEIGHBORS TELL OF FARM RICHES OF 2 GANGSTERS

Congressmen Plan Probe of Wealth

BY JAMES DOHERTY

Neighbors of two of the four Capone gangsters whose paroles from federal prison last month were arranged by Atty. Paul Dillon of St. Louis, pal of President Truman, yesterday gave data on the farms owned by the two known as top men in a national crime syndicate.

The gangster-farmers are Paul De Lucia, alias Ricca, alias Salvi, and Louis [Little New York] Campagna, public enemy of 30 years' standing. They, with their associates, Phil D'Andrea and Charles Gioe, were paroled Aug. 13 after they served three years and four months of 10-year sentences imposed on them as million dollar blackmailers and union pirates.

Wealth Impresses Probers

Not only the magnificent farms of the gangsters but other evidences of their great wealth were said to have made an impression on the congressmen who conducted a hearing here last week into the why, how, and how much of the paroles. The congressmen are Representatives Hoffman [R., Mich.], chairman of the investigating committee; Busbey [R., Ill.], Hardy [D., Va.], and Snyder [R., W. Va.]. Representatives Church [R.] of Evanston and Dawson [D.] of Chicago were present for part of the inquiry.

Ricca testified that his income was $50,000 to $100,000 a year for several years before he went to prison.

No Request for Restitution

The government produced evidence that these men obtained more than $1,000,000 from the motion picture industry alone in their extortion program," said Rep. Hoffman. "The parole officials did not ask them to make restitution of one penny."

the profit on their Indiana farm was $30,000 a year. She later retracted that statement but didn't substitute any other figure. Their other farm in Berrien county, Mich., is not a money-maker, the wife testified.

Campagna's neighbors in Berrien Springs, Mich., said he bought the 80-acre farm there about 15 years ago. It is regarded more as a summer home and fine country estate than as a farm to make money.

Estate Fenced In, Gates Locked

Campagna formerly raised hogs and cattle there, but now raises only alfalfa. The place is modernized, the farm is surrounded by a wire fence six feet high and the gates are kept locked at all times.

Its value was estimated at $50,000. Guy F. Helm, former mayor of Berrien Springs and former owner of a drug store there, said the Campagna family and friends would come into his store and buy whatever they saw that they liked — never asking the price.

Campagna's other farm, near Fowler, Ind., in Benton county, consists of 800 acres, and the story yesterday was that Campagna recently sold 92 head of Hereford steers for $30,000. He has more than 100 head of cattle left and many hogs.

The farm is managed by David Sheets Jr., said to be a nephew of Warren [Sonny] Sheets, Lake county, Ind., gambling czar. Warren Sheets has a neighboring farm.

Paid $100,000 in Cash

Campagna paid $100,000 cash for the farm six years ago, according to a real estate man in Fowler, who said it would easily bring $175,000 now. The farm's fine home has been undergoing remodeling since Campagna got out of prison with the help of Dillon. It has 15 to 20 rooms, and four new bathrooms and new kitchens are being installed.

There are 8 to 10 other buildings on the farm. It is protected day and night by guards, who are supposed to be from Chicago and who let no neighbors inside the grounds.

Ricca formerly had a $75,000 home [pre-war prices] at Long Beach, Ind., where he had a swimming pool, a large garage, and where the board of directors of the crime syndicate held their meetings, according to testimony in his trial.

Ricca now lives in a [illegible] home in River Forest. His real home, however, is his Kendall county estate of 1,100 acres, about two miles east of Newark and 25 miles from Joliet. Ricca bought the farm in 1942 for $180,000 and it since has been known as the Francis Curry farm because Curry, a Joliet gambling and political figure, has been, supposedly, the manager of it while Ricca was in prison.

Promises Full Investigation

"My colleagues and I will investigate the wealth of these men, and investigate it thoroly, when we resume our sessions in Washington," Hoffman said. "My colleagues are amazed and intrigued at the stories of easy money and big money in Chicago.

"They particularly liked the story of how eight or nine persons — names not known to any one — walked into the office of the lawyer, [Eugene Bernstein, 24th ward Democratic power], and left sums of money that eventually aggregated $188,000, which was used to pay of the income tax delinquencies of Ricca and Campagna."

CHICAGO DAILY TRIBUNE
(Sept. 29, 1947)

ENCLOSURE
62-7000-1442
RECORDED
32 DEC 3 1947
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DATE 2/26/93 BY SP2 alw

FBI SIFTS HINT OF JAIL BRIBE

Study Report Ricca Bossed Gang Operations From Cell

The FBI yesterday began a 10-day investigation to shake out the answers to these questions which arose from the congressional committee inquiry into the "rush" paroles of four Capone syndicate extortionists:

Were federal prison officials bribed to look the other way when Tony Accardo, the mob's enforcer, called on Paul (The Waiter) Ricca for cell-side directions on how to steer the syndicate's $500,000-a-week Chicago interests?

WIRE REPORTS

If no money was paid to officials to speed the paroles of the four gang chieftains, why were parole officers ordered to "wire" instead of "write" their reports on which the paroles depended?

The Chicago hearing by the committee investigating the paroles of the four hoodlums—Louis Campagna, Paul Ricca, Phil D'Andrea and Charles Gioe—lasted only Thursday and Friday but unearthed several startling details about how the Capone set played fast and loose with the U. S. prison and parole system.

VISITED HIS CELL

One of these was the story of how Accardo, the muscled but not-so-bright successor to Frank Nitti, was able to visit Ricca at Leavenworth. A committee spokesman told The Herald-American:

"Accardo posed as an attorney to see Ricca. Federal prison rules state only attorneys, wives or blood relatives may visit convicts. But no jailer with an ounce of sense could mistake Accardo for a lawyer.

"We have given the FBI just 10 days to find out what Accardo and Ricca talked about, how Accardo was admitted inside the prison, and to gather full information on men who have fallen into the syndicate's web through this parole scandal."

THE CHICAGO AMERICAN

Dec. 2, 1947

ENCLOSURE

RECORDED 58-2000-142
FBI
32 DEC 3 1947

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 9-23-97 BY SP5 alw

GOP Help In Paroles Charged

Ex-Member Says Board Above Politics

T. Webber Wilson, senior Parole Board member when four Capone racketeers were freed from prison, charged today that "there was as much Republican effort as there was Democratic" for the paroles.

Wilson, reached by telephone by The Daily News at Clearwater, Miss., where he has been denied that his board yielded to any pressure in releasing the four mobsters.

* * *

WILSON said:

"I remember when Mr. (Paul) Dillon, the St. Louis lawyer, appeared before the board.

"I also remember that a prominent Republican from North Dakota, named Stern, also appeared.

"No arguments involving political pressure had any influence on the board in this case, as none did while I served."

Wilson did not identify Stern further, except to say he thought Stern came from Fargo, N.D. Emanuel Stern, attorney for Philip D'Andrea, one of the parolees, is from Fargo.

* * *

DILLON, former campaign manager for President Truman as a senatorial candidate, admitted before a congressional investigating committee here last week that he interceded for the four men.

They were released Aug. 13, after serving one-third of their 10-year sentences for a $1,000,000 extortion plot in the movie industry.

The racketeers are Louis "Little New York" Campagna, Paul "The Waiter" Ricca, Charles "Cherry Nose" Gio and D'Andrea.

* * *

WILSON SAID he had been "practically isolated" for several days because of illness.

The telephone operator required several hours to reach him in a small Mississippi town by way of

Turn to Page 8, Column 4.

Ex-Parole Official Tells Story

Continued from First Page.

New Orleans, where outside communication has been affected by the storm.

Once Clearwater was reached, however, the operator had no difficulty in finding "Judge" Wilson.

"You don't need any numbers down here, honey," her associate on the southern end of the line said.

* * *

WILSON indicated he would be willing to answer any questions about the parole of the Capone henchmen if asked to do so by a congressional group, but said no request had been made.

The subcommittee concluded sessions in Chicago last Friday. But the investigators have indicated the inquiry probably will be resumed in several days in Washington.

"We went by the rules in all such cases," Wilson said.

"If the proper time had been served and the petition was vouched for and had him (an applicant) waiting, he was given another chance, unless reasons were shown why he shouldn't be grated this opportunity.

Wilson said he didn't want to discuss the particular cases. He indicated the board functioned as a court and didn't argue too much publicly about its decisions.

* * *

THE FORMER parole judge was more interested at the moment in the outcome of the Mississippi political race to determine the successor of the late Senator Bilbo, the South's champion of "white supremacy." He said however he is doing no active campaigning.

While a federal judge in the Virgin Islands, Wilson drew the enmity of Secretary of the Interior Harold Ickes—presumably a reason Wilson did not stay on that job land. Interior Department officials say today that

Wilson was a competent man in the assignment.

Wilson is credited with a story that once confounded Senator Bilbo.

"Bilbo," he said, "I am so far south down in the Virgin Islands, where I'm judge, that we consider people from Mississippi as damqankees."

* * *

WILSON, 54, began his career in his native Mississippi, where, shortly after reaching 21, he won the race for prosecuting attorney of Jones County.

He held state office until 1923, when, at 30, he was elected to the U.S. House of Representatives. He stayed there three terms under Republican control, serving on minor committees.

When the Democrats came into power again under President Roosevelt in 1933, Wilson almost immediately was named a federal judge in the Virgin Islands.

He served for two years during the period the Roosevelt administration was trying to revive the Virgin Islands through pump priming and relief.

Wilson next was named by Roosevelt as a member of the Federal Parole Board and served until he left last month. He gave up his downtown Washington hotel apartment and went home to Laurel, Miss., where he formerly practiced law.

* * *

PAROLE BOARD members are chosen by the President on advice of the Attorney General, but act independently in deciding on parole cases.

CHICAGO DAILY NEWS

(Date: DEC 1 1947)

ENCLOSURE

RECORDED 58-2000-1422

FBI

32 DEC 3 1947

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Gioe Sponsor Role a Surprise, Harry Ash Tells Parole Inquir

Denies Asking Hoodlum's Release

Continued from First Page.

testify "because we have nothing to hide."

Rep. Hoffman said they would be called later.

Ash said he got into the case at the request of Attorney Sidney Korshak, who has represented Gioe in civil matters.

OFFERED TO SERVE

He said he had written the federal parole board, offering to be the hoodlum's adviser, but added he had pointed out that, being a lawyer, he was not eligible for the assignment unless federal authorities waived the rules.

Later, in a statement that appeared to confuse the committee, he said:

"As far as I know I am not his parole adviser at this moment and have not been his parole adviser."

Ash told the committee he had never received a reply to his letter, and he added:

"The next I knew, on Aug. 12, I got a call from a federal parole agent who said Gioe was

PHIL D'ANDREA
Reporting for quiz

to be released the following day. I asked him:

"Why are you calling me?" He said my name was on file as parole adviser."

'SHOULD BE IMPEACHED'

Early in the hearing, Rep. Ralph Church (R) of Evanston, who was present as an observer at the invitation of Rep. Hoffman, told Daniel A. Lyons, chairman of the federal parole board:

"You should be impeached."

Rep. Hoffman asked Rep. Church not to express his opinion, but Church replied:

"That is my opinion."

Ash said he told the agent he had not been named by any one in Washington—the federal parole board or any one else—as adviser and that he would not act in that capacity unless he was officially appointed by some one in authority.

Rep. Busbey asked if Ash had ever talked to Gioe about the case, and Ash replied he had not.

HE INVESTIGATED

Lyons, in early questioning by Rep. Hoffman, explained the duties of the parole board are to grant or revoke paroles.

Q—Do you investigate, too?

(Herald-American photos)
PAUL RICCA (LEFT) AND LOUIS CAMPAGNA
Appear for U. S. probe, say there's "nothing to hide."

CHARLES GIOE
Willing to testify

cal matters. To expose them would hamper prison work.

FBI PROBE UNDER WAY

Q—That point is well taken, but do you have something in your files that would tell us of the men's past lives and their supposed restoration? A—I might tell the committee that the FBI and Mr. Hoover are making an extended investigation, but the report will not be ready for two weeks. A full disclosure now may hamper them.

Q—We will hold an executive session this afternoon and learn from your files if the men had long criminal records. Who is the first in your file? A—D'Andrea.

1943 SENTENCE CITED

Q—What does it show about his being engaged in criminal activities over a period of years?

"Do you think a man, as in this case, who extorted over a million dollars over a period of five years, is entitled to parole?"

'ENTITLED TO PAROLE'

The question related to D'Andrea. Lyons replied:

"He is on parole and is legally entitled to it. Parole must be continued according to law. Unless he does something, or unless evidence of fraud is produced, his parole cannot be revoked."

Lyons, in the case of D'Andrea, read from a report of the prosecutor in the Hollywood extortion trial. The prosecutor had identified D'Andrea as a member of the syndicate and successor to Capone as its chief.

FBI REPORT CITED

Questioning by Hoffman followed:

Q—Do you have the record of his arrest? A—The official FBI report shows: In 1932 he was picked up on general principles by Chicago police. In 1943 he was tried in New York on the extortion case.

Q—Was the $10,000 fine paid? A—The record shows the fine was paid.

Q—Were you in favor of the parole and do you think their paroles should be revoked? A—There is nothing in the record

Not His Adviser, State Aid Says

to show why there should revocation of their paroles.

PAROLE CALLED LEGAL

Q—Do you think after ing the record—and you read it, haven't you?—that men should continue to b roled? A—It was regular legal and there is no evid to show that there were irregularities.

D'Andrea's crim also included a s months in 193 Judge Wilkerso then a bodygua had been arrest during the Incor Capone and had t be armed.

CHURCH TAKES PART

Later, Rep. Church took in the questioning. He a Lyons:

Q—You have the power t voke a parole? A—Yes. It has been perpetrated.

Church: Who told you D drea had some right to a gun? A—Either Montca or Wilson, but D'Andrea not prosecuted.

Hoffman: He got six mo A—But that was in fe court. He was not prosec by the state.

Church: If D'Andrea com ted a fraud, would you re his parole? A—Yes, if we evidence of it.

Church: You are one of t

who should be impeached.

Hoffman (to Church): Don't express your opinion.

Church: That is my opinion.

D'Andrea committed a fraud.

Did you vote for revocation of his parole? A—Yes, but there is no evidence of fraud. Everything is in order.

SEEK FBI FILES

Rep. Busbey said the committee—a subcommittee of the committee on expenditures in the executive department—wants full records of the four gangsters, including the FBI files. J. Edgar Hoover, FBI chief, is to be called.

Other members of the committee are Rep. Porter Hardy (D) of Virginia and Rep. Snyder (R) of West Virginia.

Among those attending the hearing was Assistant State's Attorney James Brown, who said he had been sent there by State's Attorney Tuohy as an "observer." He took full notes.

The investigating group also is interested in other Department of Justice files on which Francis Biddle, attorney general in 1945, based testimony before another congressional committee describing activities of Capone gangsters in relationship to the movie industry. Busbey said the subcommittee will demand answers to these questions:

1—Was there conspiracy and collusion in the granting of the paroles?

2—Why weren't the long criminal records of the four more seriously considered before parole action was taken?

3—Were the records of those who interceded on behalf of the mobsters investigated?

4—Has the Treasury Department accepted compromises on payment of income tax debts of the four, and if so, why?

5—What money was paid in the arranging of the paroles, and how was it used?

Gloe Sponsor Role Surprise to Harry Ash

Harry A. Ash, state superintendent of crime prevention, told a congressional committee today he was surprised when notified by a federal parole agent that he was to be parole adviser for Charles (Cherry Nose) Gloe.

Ash was the first witness at the hearing into the manner in which Gloe and three other Capone syndicate hoodlums got paroles after serving only three years and four months of 10-year sentences for the million-dollar Hollywood extortion.

DENIES PART IN PAROLE.

Ash was questioned by Rep. Hoffman (R) of Michigan, chairman of the committee, and Rep. Busbey (R) of Illinois, a member, about his part in the paroles.

He emphatically denied he had asked for Gloe's freedom. He also denied he had received any money from the gangster. He admitted he had known Gloe since 1915, but said he had not seen him since his parole.

GANGSTERS PRESENT.

The other freed extortionists are Paul (The Waiter) Ricca, Louis (Little New York) Campagna and Phil D'Andrea. The four were present at the hearing in the U. S. courthouse. They said they were willing to

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THE CHICAGO AMERICAN

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62-5000-142
32 DEC 3 1947

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QUIZ IN PAROLE OF 4 HOODLUMS STARTS TODAY

Rep. Hoffman Here for Hearing

(BY JAMES DOHERTY)

Rep. Clare Hoffman (R., Mich.), chairman of a house subcommittee on appropriations, arrived in Chicago last night to preside over a congressional committee investigation, beginning today, of the paroles recently given to four Capone gangsters who had been convicted of a 1 million dollar extortion.

Daniel M. Lyons, chairman of the United States parole board, will arrive here this morning, bringing with him all the records of the paroles, in response to a subpena duces tecum issued by Hoffman.

The four freed convicts, Paul [The Waiter] Ricca, Louis [Little New York] Campagna, Philip D'Andrea, and Charles [Polly Nose] Gioe, may be witnesses before the committee today.

Key Question Prepared

When they testify, Rep. Fred E. Busbey of Chicago said, they will be asked this key question:

"Who arranged to get your parole and how much did you agree to pay for it?"

Rep. Chauncey Reed of Wheaton, Ill., and Rep. Ralph Church of Chicago, both Republicans, were invited by Chairman Hoffman to sit with his committee.

Before the hearing progresses far it is expected that J. Edgar Hoover, director of the federal bureau of investigation, will be a witness, Rep. Busbey disclosed. Hoover has been asked to seek evidence of bribery or corruption in connection with the paroles, Busbey added.

History of Case to Be Sought

Also, it was explained, Hoover will be asked to give a history of the case in which the four men whose paroles are under scrutiny and of two other Chicagoans formerly affiliated with the Capone gang, William Bioff and George Browne, were convicted of extorting more than $1,500,000 from motion picture company officials under threats of strikes and violence.

Ricca, Campagna, Gioe, and D'Andrea were freed last Aug. 14 by order of the United States parole board. At that time they had served one-third of the 10-year sentences imposed on them in 1943 in New York, one-third of the time being the first moment when they were eligible for freedom.

Chairman Hoffman and Rep. Busbey said they expected their colleagues, Porter Hardy, (D., Va.) and Melvin Snyder, (R., W. Va.) to arrive today.

10 Invited to Appear

Hoffman issued an invitation to 11 persons, listed by the government as "persons who made representations to the parole board" in behalf of the four convicts, to appear voluntarily before the congressional committee and thereby avoid being subpenaed.

The first to volunteer to testify without a subpena was Harry A. Ash, superintendent of crime prevention for the state of Illinois, who was listed as a "parole adviser" for Gioe.

Rep. Hoffman said he interviewed

HEARINGS START TODAY IN PAROLE OF 4 CAPONE MEN

Hoover of FBI Expected to Be a Witness

[Continued from first page]

and Guy F. Helm, both of Berrien Springs, Mich., which is in Hoffman's congressional district. He said Lucas is editor of a small paper there and Helm was formerly a druggist and was once mayor of the town.

Explain Their Action

"Both gave me affidavits telling why they wrote to the parole board in behalf of Campagna, who owns a farm near that town," he said. "They appeared to have been acting only as neighbors—there didn't seem to be any sinister motive."

Hoffman and Busbey discussed the possibility of extending a similar courtesy to the four priests listed by the government as among those who wrote to the parole board in behalf of one of the convicts. Hoffman said apparently they acted with laudable motives—"Christ forgave the thief at the 11th hour and they have been trained to do the same," he added.

John Svitak, 2931 Maple av., Berwyn, who wrote a letter recommending the parole of Campagna, said last night he did so because the Campagnas were his neighbors for six years and that members of the family asked him to intercede for Campagna. Svitak is an automobile dealer.

Hoffman said the committee may go next to St. Louis, home city of Robert Hannegan, postmaster general and chairman of the Democratic national committee, and also of Paul Dillon, friend of President Truman. Dillon was attorney for the four Chicagoans in getting their freedom.

Hoffman said the committee intends to question Dillon.

Wants to Learn Dillon's Role

Busbey said it is most important at the beginning to determine whether Dillon's relations with Hannegan and President Truman were used to benefit the four Chicago public enemies.

"The fact that the government placed a lien for nearly $500,000 against the convict, Campagna, and a lien of nearly $200,000 against the convict, Ricca, for delinquent income taxes, makes it important that we learn early how much was paid to Dillon and how much he was promised," said Busbey.

"Just how much FBI Director Hoover knows about the Capone gang is a matter of conjecture, Busbey said in relation to the plan of calling Hoover as a witness. The FBI was asked two weeks ago to start a new inquiry, but a congressional record showed that Hoover had been in touch with the case involving the four Chicago gangsters as far back as 1939.

Busbey's office in Washington sent him a transcript of testimony before a house subcommittee on appropriations on Jan. 7, 1943, in which Francis Biddle, attorney general, testified he was holding a hearing into all phases of federal paroles. Biddle said that Campagna was in fact head of the Capone gang and that Ricca was its treasurer. He also supplied the committee with the records of the other gangsters sentenced in the movie extortion case. From this it follows, Busbey pointed out, that the justice department, at the time the paroles were granted, could not have been in ignorance of the applicants' long record of criminal activities.

Biddle told how Browne, then president of the International Alliance of Theatrical and Stage Employes, and Bioff, who had "muscled into control of the union," testified against Ricca, Campagna, D'Andrea, and Gioe. As a result of their helping the government, Browne and Bioff served shorter prison sentences.

Busbey commented, "I am sure Mr. Hoover can bring us up to date on the activities of the men who shook the motion picture companies down for more than $1,500,000 and then got out of prison after short periods of imprisonment."

CHICAGO DAILY TRIBUNE

Dept. 7-5-11-47

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RECORDED ENCLOSURE 62-2000-142

INDEXED 32 DEC 3 1947